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60TH CONGRESS }
2d Session }

SENATE

49813
{ DOCUMENT
No. 547 }

*U.S. Congress. Senate. Comm. on
Finance.*

CUSTOMS TARIFFS

SENATE AND HOUSE REPORTS

1888, 1890, 1894, 1897

[REPRINTS]



18183

DECEMBER 9, 1908.—Presented by Mr. ALDRICH, referred to the
Committee on Finance, and ordered to be printed

WASHINGTON
GOVERNMENT PRINTING OFFICE

1909

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1909

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CUSTOMS TARIFFS.

COMMITTEE REPORTS AND REFERENCES TO LEGISLATIVE PROCEEDINGS.*

Mr. ALDRICH presented the following

REPRINT OF COMMITTEE REPORTS SUBMITTED WITH THE TARIFF BILLS OF 1888, 1890, 1894, AND 1897, TOGETHER WITH REFERENCES TO LEGISLATIVE PROCEEDINGS ON THE TARIFF LAWS OF 1846, 1861, 1883, 1890, 1894, 1897, THE MILLS-ALDRICH BILL OF 1888, AND THE CUSTOMS ADMINISTRATIVE LAW OF 1890.

DECEMBER 9, 1908.—Referred to the Committee on Finance and ordered to be printed.

LEGISLATIVE PROCEEDINGS.

THE WALKER TARIFF (1846).

[H. R. 384.]

Proceedings in the House of Representatives.

House bill 384, first session, Twenty-ninth Congress, "Reducing the duty on imports, and for other purposes," was reported by Mr. McKay, of North Carolina, from the Committee on Ways and Means, April 14, 1846. (Globe, 1st sess., 29th Cong., p. 670.)

Bill taken up and read in part and substitute offered by Mr. Hungerford, of New York, June 15. (Globe, p. 976.)

Bill debated—

June 18, 1846 (Globe, pp. 989-996).
June 19, 1846 (Globe, pp. 1000-1010).
June 20, 1846 (Globe, pp. 1011-1013).
June 24, 1846 (Globe, pp. 1018-1023).
June 25, 1846 (Globe, p. 1027).
June 26, 1846 (Globe, pp. 1032-1037).

Bill debated—

June 27, 1846 (Globe, p. 1039).
June 29, 1846 (Globe, p. 1041).
June 30, 1846 (Globe, p. 1043).
July 1, 1846 (Globe, pp. 1044-1046).
July 2, 1846 (Globe, pp. 1046-1050).
July 3, 1846 (Globe, pp. 1050-1053).

Passed the House July 3, 1846, after twelve days' debate.

* The references to Legislative Proceedings were prepared by George H. Boyd, Superintendent of Senate Document Room.

Proceedings in the Senate of the United States.

Bill debated and made special order for Monday, July 13, 1846, without reference to the Finance Committee. (July 6, *Globe*, pp. 1053-1057.)

Bill debated—

July 13, 1846 (*Globe*, pp. 1081-1084).
 July 14, 1846 (*Globe*, pp. 1089-1093).
 July 15, 1846 (*Globe*, pp. 1097-1098).
 July 16, 1846 (*Globe*, pp. 1105-1106).
 July 17, 1846 (*Globe*, pp. 1110-1111).
 July 18, 1846 (*Globe*, p. 1115).

Bill debated—

July 20, 1846 (*Globe*, pp. 1117-1118).
 July 21, 1846 (*Globe*, p. 1124).
 July 22, 1846 (*Globe*, p. 1128).
 July 23, 1846 (*Globe*, p. 1133).
 July 24, 1846 (*Globe*, p. 1136).
 July 25, 1846 (*Globe*, p. 1139).
 July 27, 1846 (*Globe*, pp. 1141-1145).
 July 28, 1846 (*Globe*, pp. 1149-1158).

There was some debate on the presentation of petitions and memorials in relation to the tariff in the Senate, as follows:

On petition of Jos. W. Revere, of Boston, Mass., and others. (*Globe*, pp. 1095-1097.)

On petition of merchants of New York. (*Globe*, pp. 1102-1103.)

On petition of miners of Schuylkill County, Pa. (*Globe*, pp. 1112-1113.)

On petition of citizens of New Jersey. (*Globe*, pp. 1122-1123.)

On petition of workers of coal mines in Carbon County, Pa. (*Globe*, pp. 1131-1132.)

Many of the speeches delivered on this bill were not printed in the body of the *Globe*, but will be found in the Appendix, as follows:

Mr. Stewart, of Pennsylvania (p. 54-935).

Mr. McClean, of Pennsylvania (p. 690).

Mr. Sawyer, of Ohio (p. 699).

Mr. Severance, of Maine (p. 702).

Mr. Ramsey, of Virginia (p. 708).

Mr. Goodyear, of Pennsylvania (p. 712).

Mr. Pollock, of Pennsylvania (p. 715).

Mr. Darragh, of Pennsylvania (p. 721).

Mr. Ewing, of Pennsylvania (p. 724).

Mr. Hubbard, of Virginia (p. 729).

Mr. Seddon, of Virginia (p. 735).

Mr. Harmanson, of Louisiana (p. 744).

Mr. Thompson, of Pennsylvania (p. 748).

Mr. Chase, of Tennessee (p. 753).

Mr. Strong, of New York (p. 761).

Mr. Wilmot, of Pennsylvania (p. 767).

Mr. Rathbun, of New York (p. 771).

Mr. Hough, of New York (p. 774).

Mr. Lewis, of New York (p. 780).

Mr. Brinkerhoff, of Ohio (p. 784).

Mr. Lewis, of Alabama (p. 785).

Mr. Jenkins, of New York (p. 798).

Mr. Bayly, of Virginia (p. 812).

Mr. Collin, of New York (p. 821).

Mr. Towns, of Georgia (p. 829).

Mr. Benton, of New York (p. 847).

Mr. Niles, of Connecticut (p. 881).

Mr. Norris, of New Hampshire (p. 920).

Mr. Young, of Kentucky (p. 956).

Mr. Collamer, of Vermont (p. 960).

Mr. Hunt, of New York (p. 964).

Mr. Winthrop, of Massachusetts (p. 969).

Mr. Broadhead, of Pennsylvania (p. 976).

Mr. Strohm, of Pennsylvania (p. 981).

Mr. Ewing, of Tennessee (p. 987).

Mr. Yancy, of Alabama (p. 993).

Mr. Hudson, of Massachusetts (p. 997).

Mr. Blanchard, of Pennsylvania (p. 1003).

Mr. Seaman, of New York (p. 1007).

Mr. Marsh, of Vermont (p. 1009).

Mr. McHenry, of Kentucky (p. 1014).

Mr. Tibbatts, of Kentucky (p. 1018).

Mr. Hungerford, of New York (p. 1023).

Mr. Hunter, of Virginia (p. 1025).

Mr. Toombs, of Georgia (p. 1030).

Mr. Clark, of North Carolina (p. 1035).

Mr. Wick, of Indiana (p. 1040).

Mr. Smith, of New York (p. 1048).

Mr. Barringer, of North Carolina (p. 1051).

Mr. Ficklin, of Illinois (p. 1055).

Mr. Dixon, of Connecticut (p. 1061).

Mr. Woodruff, of New York (p. 1066).

Mr. Perry, of Maryland (p. 1070).

Mr. Root, of Ohio (p. 1075).

Mr. Miller, of New York (p. 1075).

Mr. Daniel, of North Carolina (p. 1077).

Mr. Houston, of Delaware (p. 1081).

Mr. Gentry, of Tennessee (p. 1086).

Mr. Ingersoll, of Pennsylvania (p. 1089).

Mr. Davis, of Massachusetts (p. 1107). Mr. Webster, of Massachusetts (p. 1139).
 Mr. Johnson, of Maryland (p. 1118).
 Mr. Huntington, of Connecticut (p. 1129). Mr. Jarnagin, of Tennessee (p. 1152).
 Mr. Cameron, of Pennsylvania (p. 1130). Mr. Chapman, of Maryland (p. 1155).

Passed the Senate July 28, 1846, after fifteen days' debate.
 Senate amendment agreed to in House of Representatives, July 29, 1846.
 (Globe, pp. 1164-1166.)
 Approved July 30, 1846.

THE MORRILL TARIFF BILL (1861).

[H. R. 338.]

Proceedings in the House of Representatives.

On March 12, 1860, Mr. Morrill, from the Committee on Ways and Means, reported a bill (H. R. 338) to provide for the payment of outstanding treasury notes, to authorize a loan, to regulate and fix the duties on imports, and for other purposes, but as he could not secure a suspension of the rules he withdrew the bill.

March 13 Mr. Sherman reported the same bill, and under similar conditions withdrew it.

March 19, Mr. Morrill reported it again, had the bill read a first and second time, referred to the Committee of the Whole on the state of the Union, and ordered to be printed.

March 23 Mr. Sherman offered a special order setting aside Wednesday, April 4, as the day for the consideration of the tariff bill, but resolution went over on objection.

April 5 tariff bill came up in its regular order in Committee of the Whole, but the committee arose after the bill had been read and before any discussion was had.

April 23, 24, 25, 26, and 27 the bill was under discussion in the House in Committee of the Whole. The House adjourned over from Friday the 27th to Monday the 30th.

April 30, May 1, 2, 3, 4, 5, 7, 8, 9, and 10 the bill was under discussion, and on the latter day it was reported to the House and passed by a vote of 105 yeas to 64 nays.

Proceedings in the Senate of the United States.

May 10 announcement was made in the Senate that the House had passed bill, and upon motion of Mr. Hunter the bill was read twice by title and referred to the Committee on Finance.

On June 13 Mr. Hunter reported it back from the Committee on Finance and attempted to have a day set for its consideration, but as no motion was made, it went over.

June 14 bill was taken up on Mr. Hunter's motion, and the Senate adjourned on it so that it would come up next day as regular order.

June 15 motion was made to postpone consideration of bill until next session, but hour for taking recess arrived, and bill went over.

Evening session bill was taken up again in Committee of the Whole and by a vote of 25 yeas to 23 nays further consideration was postponed to the second Monday of December, 1860.

Mr. Slidell moved the appointment of a special committee of three to consider the propriety of modifying existing tariff laws, and report such modifications as they deemed proper to the Senate on the second Monday in December.

June 16 motion was made to reconsider vote by which consideration of tariff bill was postponed.

June 18 Mr. Lane offered an amendment to the tariff bill.

June 20 by vote of 33 yeas to 17 nays motion to reconsider was agreed to, and bill placed on the table.

December 5 an attempt was made to set a date for the consideration of the bill, and on

December 11 the bill was referred back to the Committee on Finance.

On December 20 Mr. Hunter reported bill from the Committee on Finance with the recommendation that its consideration be postponed until the 4th of the following March. Upon agreement the motion was permitted to lie on the table.

January 18, 1861, bill was made a special order for the following Wednesday, and on

January 23 bill was referred to special committee of five with instructions to report in a week.

On February 1 the bill was reported back by select committee with amendments, ordered to be printed, and made special order for following Wednesday.

February 8 the bill was taken up in Committee of the Whole and read once.

On February 13, 14, 15, 16, 18, 19, and 20 the bill was under consideration in the Senate, and on the last-mentioned day it was passed by a vote of 25 yeas to 14 nays.

Proceedings in the House and Senate.

February 21 the bill was ordered printed by the House.

February 23 and 25 Senate amendments under consideration in House, and all amendments were concurred in with further amendment. Concurrence by House in amendments of Senate was announced in the Senate, as was also that the House insisted upon its amendment and had appointed conferees.

Conferees on part of House, Messrs. Sherman, Phelps, and Moorhead.

February 26 the Senate disagreed to House amendment and appointed conferees.

Conferees on part of Senate, Messrs. Simmons, Hunter, and Bigler.

February 27 conferees agreed and reported, and Senate agreed to House amendment.

February 28 bill enrolled and signed by the Speaker and President of the Senate.

Approved March 2, 1861.

From the above it will be seen that the bill was under consideration in the House eighteen days, although not to the exclusion of all other business, and was under discussion in the Senate seven days.

THE TARIFF ACT OF 1883.

[H. R. 5538.]

Proceedings in the Senate of the United States.

The tariff of 1883 was attached by the Senate to House bill No. 5538, which was exclusively an internal-revenue measure.

The bill was reported from the Finance Committee to the Senate on January 4, 1883, and was under discussion in that body on January 10, 11, 15, 16, 17, 18, 19, 20, 22, 23, 24, 26, 27, 29, 30, 31, February 1, 2, 3, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17, and 19, and was passed by the Senate on February 20, after having been under discussion for thirty-three days.

Proceedings in the House and Senate.

On February 24 the House gave attention to the bill, and a rule limiting debate and declaring its belief in the unconstitutionality of the Senate amendment was discussed.

On February 26 the Senate recalled the bill to correct a mistake in the printed copy. The correction was made and the bill returned to the House on the same day.

February 27 the House again considered the bill and agreed that the Senate has no constitutional authority to originate revenue bills. The Senate was informed that the House nonconcurred in amendments and asked conference. The Senate agreed to conference and appointed Messrs. Morrill, Sherman, Aldrich, Bayard, Beck, Mahone (in place of Mr. Bayard, who withdrew), and McDill (in place of Mr. Beck, who withdrew).

Conferees on part of the House, Messrs. Kelley, McKinley, Haskell, Randall, Carlisle, and Morrison (in place of Mr. Randall, who withdrew).

February 28 a motion was made in the Senate to reconsider conference agreement, which was debated, and motion withdrawn.

March 2, conference report adopted by Senate.

March 3, conference report adopted by House.

Approved March 3, 1883.

There was no discussion of the details of the tariff of 1883 in the House of Representatives. That body declared its belief in the unconstitutionality of the Senate action and appointed conferees. The conferees were appointed on February 27, although several of them, on the part of the House and the Senate, declined to serve and substitutes were appointed.

THE MILLS BILL (1888).

[H. R. 9051. Report 1496.]

Proceedings in the House of Representatives.

Reported to the House from committee, April 2, 1888 (p. 2615).

Debated in the House of Representatives—

April 17, 1888 (pp. 3057-3071).
 April 24, 1888 (pp. 3297-3314).
 April 25, 1888 (pp. 3349-3380).
 April 26, 1888 (pp. 3408-3435).
 April 27, 1888 (pp. 3438-3455).
 April 28, 1888 (pp. 3472-3493).
 April 30, 1888 (pp. 3523-3545).
 May 1, 1888 (pp. 3579-3608).
 May 2, 1888 (pp. 3636-3660).
 May 2, 1888 (pp. 3663-3671).
 May 3, 1888 (pp. 3690-3707).
 May 4, 1888 (pp. 3712-3730).
 May 5, 1888 (pp. 3746-3765).
 May 8, 1888 (pp. 3825-3865).
 May 9, 1888 (pp. 3887-3916).
 May 10, 1888 (pp. 3934-3995).
 May 11, 1888 (pp. 3999-4016).
 May 12, 1888 (pp. 4037-4075).
 May 14, 1888 (pp. 4092-4138).
 May 15, 1888 (pp. 4166-4205).
 May 16, 1888 (pp. 4238-4298).
 May 17, 1888 (pp. 4318-4372).
 May 18, 1888 (pp. 4373-4424).
 May 19, 1888 (pp. 4437-4451).
 May 31, 1888 (pp. 4771-4791).
 June 1, 1888 (pp. 4823-4835).

Debated in the House of Representatives—

June 2, 1888 (pp. 4856-4870).
 June 5, 1888 (pp. 4911-4932).
 June 6, 1888 (pp. 4937-4974).
 June 7, 1888 (pp. 4991-5013).
 June 8, 1888 (pp. 5020-5044).
 June 9, 1888 (pp. 5062-5084).
 June 12, 1888 (pp. 5183-5194).
 June 13, 1888 (pp. 5211-5235).
 June 14, 1888 (pp. 5256-5282).
 June 27, 1888 (pp. 5632-5648).
 June 28, 1888 (pp. 5680-5705).
 June 29, 1888 (pp. 5730-5743).
 June 30, 1888 (pp. 5805-5827).
 July 3, 1888 (pp. 5866-5894).
 July 6, 1888 (pp. 5941-5959).
 July 7, 1888 (pp. 5976-5994).
 July 9, 1888 (pp. 6018-6038).
 July 10, 1888 (pp. 6070-6096).
 July 11, 1888 (pp. 6143-6159).
 July 12, 1888 (pp. 6195-6220).
 July 14, 1888 (pp. 6302-6319).
 July 16, 1888 (pp. 6369-6398).
 July 17, 1888 (pp. 6419-6446).
 July 18, 1888 (pp. 6477-6496).
 July 19, 1888 (pp. 6513-6537).
 July 21, 1888 (pp. 6654-6660).

Passed the House of Representatives, after fifty-two days' debate (p. 6660), on July 21, 1888.

Proceedings in the Senate of the United States.

Referred to Senate Committee on Finance July 21, 1888 (p. 6622).

Reported to the Senate October 3, 1888 (p. 9109).

Debated in the Senate—

October 8, 1888 (pp. 9264-9296).
 October 9, 1888 (pp. 9321-9328).
 October 10, 1888 (pp. 9354-9363).
 October 11, 1888 (pp. 9379-9393).
 October 12, 1888 (pp. 9395-9410).

Debated in the Senate—

October 15, 1888 (pp. 9452-9461).
 October 16, 1888 (pp. 9468-9508).
 October 17, 1888 (pp. 9514-9535).
 October 18, 1888 (pp. 9556-9568).
 October 19, 1888 (pp. 9601-9605).

*Second session Fiftieth Congress.***Debated in the Senate—**

December 3, 1888 (p. 9).
 December 4, 1888 (pp. 14-15).
 December 5, 1888 (pp. 27-38).
 December 6, 1888 (pp. 60-67).
 December 10, 1888 (pp. 109-119).
 December 11, 1888 (pp. 137-156).
 December 12, 1888 (pp. 173-191).
 December 13, 1888 (pp. 216-231).
 December 17, 1888 (pp. 274-289).
 December 18, 1888 (pp. 314-323).
 December 19, 1888 (pp. 340-355).
 December 20, 1888 (pp. 371-388).
 December 21, 1888 (pp. 421-433).
 January 2, 1889 (pp. 451-475).
 January 3, 1889 (pp. 492-508).
 January 4, 1889 (pp. 515-532).

Debated in the Senate—

January 5, 1889 (pp. 554-563).
 January 7, 1889 (p. 568).
 January 8, 1889 (pp. 576-596).
 January 9, 1889 (pp. 609-628).
 January 10, 1889 (pp. 635-650).
 January 11, 1889 (pp. 652-676).
 January 12, 1889 (pp. 689-704).
 January 14, 1889 (pp. 725-744).
 January 15, 1889 (pp. 771-793).
 January 16, 1889 (pp. 834-858).
 January 17, 1889 (pp. 881-896).
 January 18, 1889 (pp. 916-932).
 January 19, 1889 (pp. 966-991).
 January 21, 1889 (pp. 1018-1058).
 January 22, 1889 (pp. 1074-1105).

Passed the Senate January 22, 1889, after ten days' debate in first session and thirty-one days' debate in second session.

Senate requests conference January 28, 1889.

Proceedings in the House of Representatives.

Debated and referred to House committee with Senate amendments January 26, 1889.

NOTE.—The House disagreed to a conference, and the bill failed of enactment into law.

UNDERVALUATIONS OF IMPORTS (1885).

Mr. Hoar's resolution, authorizing and directing the Committee on Finance to investigate alleged frauds and abuses in collection of revenues from customs passed the Senate December 21, 1885. (Record, 1st sess. 49th Cong., p. 351.)

By resolution of January 19, 1886, the Committee on Finance was authorized to employ a stenographer and such clerical assistance as may be necessary to comply with the resolution of December 21, 1885. (Record, 1st sess. 49th Cong. p. 741.)

Committee authorized to sit during recess, July 31, 1886. (Record, 1st sess. 49th Cong., p. 7775.)

For copies of the above resolutions and the report of and testimony taken by the committee, see Senate Report No. 1990, second session Forty-ninth Congress, submitted to the Senate March 3, 1887.

Senate customs administrative bill (1886). [S. 1153.]

In the Senate of the United States.

January 19, 1886, Mr. Aldrich introduced a bill (S. 1153) "To prevent fraud upon the customs revenue," which was read twice by its title and referred to the Committee on Finance. (Record, 1st sess. 49th Cong., p. 741.) No action seems to have been taken on this bill.

December 20, 1887, Mr. Allison, from the Committee on Finance, reported an original bill (S. 977) "To regulate the importation of foreign merchandise and to secure uniformity in the classification and valuation thereof, and for other purposes," which was read twice by its title. (Record, 1st sess. 50th Cong. p. 115.)

Debated January 26, 1888. (Record, p. 730.)

Debated February 16, 1888. (Record, pp. 1252-1253.)

Passed over February 23, 1888. (Record, p. 1405.)

Bill taken up and made unfinished business March 8, 1888. (Record, p. 1867.)

Debated March 14, 1888. (Record, pp. 2055-2067.)

Debated March 15, 1888. (Record, pp. 2103-2107.)

Debated and passed Senate March 16, 1888. (Record, pp. 2136-2153.)

In the House of Representatives.

Referred to Committee on Ways and Means, March 21, 1888. (Record, p. 302.) No further action on the bill.

CUSTOMS ADMINISTRATIVE LAW (1890).

[H. R. 4.] [H. R. 4970.]

In the House of Representatives.

House bill No. 4, Fifty-first Congress, first session, "To simplify the laws in relation to the collection of the revenues," introduced by Mr. McKinley December 16, 1889, and referred to the Committee on Ways and Means, (Record, p. 191.)

This was an introduction in the House of Senate bill No. 977, Fiftieth Congress, with amendments.

House bill No. 4970, Fifty-first Congress, first session, same title, reported from Committee on Ways and Means by Mr. McKinley as a substitute for House bill No. 4, and recommitted January 14, 1890. (Record, p. 558.)

Reported back January 22, 1890. (Record, p. 793.)

Debated January 23, 1890. (Record, pp. 809-820.)

Debated January 24, 1890. (Record, pp. 824-837.)

Debated and passed House January 25, 1890. (Record, pp. 840-848.)

House nonconcurs in Senate amendments and appoints conference committee consisting of Messrs. McKinley, Burrows, and Carlisle, May 5, 1890. (Record, p. 4213.)

Conference report submitted, debated, and adopted May 27, 1890. (Record, pp. 340-5343.)

Error in enrollment corrected June 4, 1890. (Record, pp. 5601-5602.)

In the Senate of the United States.

Referred to Committee on Finance January 27, 1890. (Record, p. 852.)

Reported back by Mr. Allison with amendments March 19, 1890. (Record, p. 2375.)

Debated April 29, 1890. (Record, pp. 3972-3975.)

Debated April 30, 1890. (Record, pp. 4003-4023.)

Debated May 1, 1890. (Record, pp. 4069-4085.)

Debated and passed Senate May 2, 1890. (Record, pp. 4113-4132.)

Conference committee consisting of Senators Allison, Aldrich, and McPherson appointed May 2, 1890. (Record, p. 4132.)

Mr. Harris appointed on conference in place of Mr. McPherson May 23, 1890. (Record, p. 5169.)

Conference report submitted and agreed to May 27, 1890. (Record, p. 5337.)

Error in enrollment corrected June 4, 1890. (Record, p. 5586.)

Approved June 10, 1890.

McKINLEY LAW 1890.

[H. R. 9416.]

In the House of Representatives.

Reported from the Committee on Ways and Means April 16, 1890 (p. 3443).

Debated—

May 7, 1890 (pp. 4247-4265, 4266-4283).

May 8, 1890 (pp. 4308-4337, 4338-4361).

May 9, 1890 (pp. 4385-4407, 4407-4437).

May 10, 1890 (pp. 4469-4555).

May 12, 1890 (pp. 4562-4571, 4573-4593).

Debated—

May 13, 1890 (pp. 4608-4638).

May 14, 1890 (pp. 4658-4684).

May 15, 1890 (pp. 4710-4715).

May 16, 1890 (pp. 4773-4797).

May 17, 1890 (pp. 4838-4876).

May 19, 1890 (pp. 4905-4946).

May 20, 1890 (pp. 4972-5064).

May 21, 1890 (pp. 5092-5113).

Referred to Committee on Ways and Means September 12, 1890 (p. 10005).

Reported back and Senate amendments nonconcurred in September 15, 1890

Conferees appointed in House September 16, 1890 (p. 10114).

Conferees on part of House, Mr. McKinley, Mr. Burrows, Mr. Bayne, Mr. Dingley, Mr. Mills, Mr. McMillin, Mr. Flower.

Conferees on part of Senate, Mr. Aldrich, Mr. Sherman, Mr. Allison, Mr. Hancock, Mr. McPherson, Mr. Vance, Mr. Carlisle, and Mr. Voorhees (in place of Mr. McPherson, who withdrew).

Conference report submitted September 26, 1890 (pp. 10503-10510).

Conference report debated and adopted September 27, 1890 (pp. 10574-10641).

Passed the House after thirteen days' debate on the bill and two days' debate on the conference report; in all, fifteen days.

In the Senate of the United States.

Referred to the Committee on Finance May 23, 1890 (p. 5169).

Reported with amendments June 18, 1890 (p. 6207).

Debated—

July 7, 1890 (pp. 6975-6976).

July 12, 1890 (p. 7189).

July 14, 1890 (p. 7237).

July 19, 1890 (p. 7487).

July 21, 1890 (pp. 7531-7537).

July 24, 1890, no debate (pp. 7659-7674).

July 25, 1890 (pp. 7696-7715).

July 26, 1890 (pp. 7734-7754).

July 28, 1890 (pp. 7803-7816).

July 29, 1890 (pp. 7836-7860).

July 30, 1890 (pp. 7885-7913).

July 31, 1890 (pp. 7950-7971).

August 1, 1890 (pp. 7993-8022).

August 2, 1890 (pp. 8050-8071).

August 4, 1890 (pp. 8079-8108).

August 5, 1890 (pp. 8133-8163).

August 6, 1890 (pp. 8185-8216).

August 7, 1890 (pp. 8252-8270).

August 8, 1890 (pp. 8332-8340).

August 9, 1890 (pp. 8355-8371).

August 11, 1890 (pp. 8393-8423).

August 12, 1890 (pp. 8441-8470).

August 13, 1890 (pp. 8490-8506).

Debated—

August 14, 1890 (pp. 8531-8571).

August 18, 1890 (pp. 8749-8756).

August 19, 1890 (pp. 8779-8813).

August 20, 1890 (pp. 8849-8874).

August 21, 1890 (pp. 8910-8940).

August 22, 1890 (pp. 8986-9016).

August 25, 1890 (pp. 9109-9110).

August 26, 1890 (pp. 9112-9136).

9143-9144, 9157-9173).

August 27, 1890 (pp. 9199-9228).

August 28, 1890 (pp. 9250-9277).

August 29, 1890 (pp. 9306-9340).

August 30, 1890 (pp. 9388-9410).

September 1, 1890 (pp. 9454-9487).

September 2, 1890 (pp. 9510-9556).

September 3, 1890 (pp. 9583-9613).

September 4, 1890 (pp. 9637-9673).

September 5, 1890 (pp. 9702-9734).

September 6, 1890 (pp. 9778-9811).

September 8, 1890 (pp. 9830-9884).

September 9, 1890 (pp. 9903-9916).

September 10, 1890 (pp. 9925-9943).

Conference report submitted and debated September 29, 1890 (pp. 10648-10671).

Conference report debated and agreed to September 30, 1890 (pp. 10710-10725, 10727, 10740).

Passed the Senate September 10, 1890, after forty-four days' debate on the bill and two days' debate on the conference report; in all forty-six days.

Approved October 1, 1890.

WILSON-GORMAN LAW, 1894.

[H. R. 4864.]

In the House of Representatives.

December 20, 1893, Wilson, of West Virginia, chairman, Committees on Ways and Means of the House of Representatives, reported a bill (4864) to reduce taxation to provide revenue for the Government and for other purposes. Read the first and second time, ordered to be printed, and referred to the Committee of the Whole on the state of the Union.

December 22, Mr. Reed, of Maine, in pursuance of previous leave, presented the views of a minority of Committee on Ways and Means on the bill (H. R. 4864) to reduce taxation, etc.; ordered to be printed.

January 8, 1894 (H. R. 4864), was taken up for consideration on motion of Mr. Wilson, of West Virginia. First reading of bill was dispensed with by unanimous consent.

January 9, debate on tariff bill (H. R. 4864) opened in House of Representatives by Mr. Lane of Illinois.

January 9, House considered tariff bill. Resolutions adopted by House to meet at 11 o'clock each legislative day, continue in session until 5 p. m., with recess until 8 o'clock p. m. for evening session. After reading of journal, calling of committee reports, etc., morning hour to close and tariff bill to be considered in Committee of the Whole. General debate on tariff bill limited to the hour of adjournment, Saturday, January 13, 1894. On Monday, January 15, 1894, bill to be read through and from day to day be open to amendment in any part thereof.

January 29, "Monday, at the hour of 12 o'clock, bill with all amendments recommended by or that may be pending in the Committee of the Whole to be reported to the House; two hours' debate to be allowed, and then the previous question to be considered ordered upon pending amendments and the bill to its passage;" House proceeded under the above resolution until February 2, when the bill, as amended, passed the House of Representatives; yeas 204, nays 140, not voting 8.

The bill was actively before the House of Representatives in Committee of the Whole and in open House from January 8 to February 1, with sessions lasting from 11 o'clock a. m. to 10 o'clock p. m., with three hours' daily recess; in all twenty-three days.

In the Senate of the United States.

Reported to Senate February 3, and referred to Finance Committee.

March 20, 1894 (H. R. 4864), reported back by Mr. Voorhees, of Indiana, chairman of Finance Committee, with amendments. Was in committee from February 2 to March 20.

April 2, Senate, in Committee of Whole, took up (H. R. 4864) for consideration. Debate began.

July 3. Passed the Senate; yeas 39, nays 34, not voting 12.

In the House of Representatives.

July 6, 1894. Bill with Senate amendments referred to House Committee on Ways and Means, reported back, Senate amendments nonconcurrent in, and conference appointed. July 5 and July 9, 1894.

Conferees on part of Senate, Mr. Voorhees, of Indiana, Mr. Harris, of Tennessee, Mr. Jones, of Arkansas, Mr. Vest, of Missouri, Mr. Sherman, of Ohio, Mr. Allison, Mr. Aldrich.

Conference on part of House, Mr. Wilson, of West Virginia, Mr. McMillan, of Tennessee, Mr. Turner, of Georgia, Mr. Montgomery, of Kentucky, Mr. Reed, of Maine, Mr. Burrows, of Michigan, Mr. Payne, of New York.

Conference report was disagreed to by the House of Representatives, and a second conference appointed. July 19 and July 27, 1894.

The second conference committee had same membership as the first.

August 13, 1894. House took possession of amended bill, discharged its conferees, agreed to Senate amendments, and passed the bill.

August 27, 1894. Bill became a law without the approval of the President.

DINGLEY LAW, 1897.

[H. R. 379.]

In the House of Representatives.

March 19, 1897, reported from the Committee on Ways and Means (p. 71) and made special order (p. 72).

Debated—

March 22, 1897 (pp. 120, 123-140, 141-151).

March 23, 1897 (pp. 174-197, 197-201).

March 24, 1897 (pp. 216-245, 245-259).

March 25, 1897 (pp. 265-345).

Debated—

March 26, 1897 (pp. 352-388).

March 27, 1897 (pp. 390-421).

March 29, 1897 (pp. 429-456).

March 30, 1897 (pp. 470-514).

March 31, 1897 (pp. 519-557).

March 31, 1897, passed House (p. 557).

In the Senate of the United States.

H. R. 379 referred to Senate Committee on Finance March 31, 1897.
Reported back with amendments May 4, 1897.

Debated and amended—

May 6, 1897 (pp. 907-908).
May 13, 1897 (pp. 1059-1064).
May 25, 1897 (p. 1227; statement
by Mr. Aldrich).
May 25, 1897 (pp. 1234-1242).
May 26, 1897 (pp. 1253-1274).
May 27, 1897 (pp. 1285-1304).
May 28, 1897 (pp. 1314-1333).
May 29, 1897 (pp. 1335-1359).
June 1, 1897 (pp. 1362-1385).
June 2, 1897 (pp. 1411-1433).
June 3, 1897 (pp. 1439-1458).
June 4, 1897 (pp. 1472-1492,
1496-1516).
June 5, 1897 (pp. 1519-1539).
June 7, 1897 (pp. 1541-1563).
June 8, 1897 (pp. 1571-1592).
June 9, 1897 (pp. 1594-1620).
June 10, 1897 (pp. 1623-1647,
1648-1652).
June 11, 1897 (pp. 1657-1681).
June 12, 1897 (pp. 1682-1698).
June 14, 1897 (pp. 1698-1723).

Debated and amended—

June 15, 1897 (pp. 1728-1746).
June 16, 1897 (pp. 1749-1775).
June 17, 1897 (pp. 1777-1801).
June 18, 1897 (pp. 1810-1839).
June 19, 1897 (pp. 1840-1863).
June 21, 1897 (pp. 1864-1890).
June 22, 1890 (pp. 1899-1919,
1920-1923).
June 23, 1897 (pp. 1926-1961).
June 24, 1897 (pp. 1964-1995).
June 25, 1897 (pp. 1998-2023).
June 26, 1897 (pp. 2028-2044).
June 28, 1897 (pp. 2046-2082).
June 29, 1897 (pp. 2089-2125).
June 30, 1897 (pp. 2127-2159).
July 1, 1897 (pp. 2161-2189).
July 2, 1897 (pp. 2200-2242).
July 3, 1897 (pp. 2244-2272).
July 5, 1897 (pp. 2273-2302).
July 6, 1897 (pp. 2304-2413).
July 7, 1897 (pp. 2414-2447).
July 7, 1897 (p. 2447); bill passed
Senate.

In the House of Representatives.

July 8, 1897, House discusses sending bill to conference (pp. 2478-2482).

House nonconcur in Senate amendments (p. 2512).

Conferees on the part of the House, Mr. Dingley, Mr. Payne, Mr. Dalzell, Mr. Hopkins, Mr. Grosvenor, Mr. Bailey, Mr. McMillin, and Mr. Wheeler, of Alabama (p. 2512).

Conferees on the part of the Senate: Mr. Allison, Mr. Aldrich, Mr. Platt, of Connecticut, Mr. Burrows, Mr. Jones, of Nevada, Mr. Vest, Mr. Jones, of Arkansas, and Mr. White.

Conference report made (p. 2698) July 19, 1897.

Conference report debated July 19, 1897 (pp. 2715-2750).

Conference report dropped by House July 19, 1897 (p. 2750).

Passed the House after nine days' debate on the bill and one day and one evening's debate on the conference report; in all, eleven days' debate.

In the Senate of the United States.

Conference report debated: July 20, 1897 (pp. 2753, 2754-2776); July 21, 1897 (pp. 2777-2801); July 22, 1897 (pp. 2809-2836, 2837-2838); July 23, 1897 (pp. 2845-2869, 2870-2875); July 24, 1897 (pp. 2880-2895, 2902-2910); July 24, 1897, passed Senate (p. 2910); July 24, 1897, certain published articles presented by Mr. Thurston (pp. 2910-2937).

Passed the Senate after thirty-seven days' debate on the bill and five days' debate on the conference report; forty-two days in all.

Approved July 24, 1897.

COMMITTEE REPORTS.

THE MILLS REPORT, 1888.

[House Report No. 1496, 50th Congress, 1st session.]

TO REDUCE TAXATION AND SIMPLIFY THE LAWS IN RELATION TO THE COLLECTION OF THE REVENUE.

APRIL 2, 1888.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. MILLS, from the Committee on Ways and Means, submitted the following report (to accompany bill H. R. 9051).

The Committee on Ways and Means, to whom was referred the annual message of the President, calling the attention of Congress to the large surplus now in the Treasury, daily growing larger on account of the excess of receipts over expenditures, have given to the subject that careful consideration which its importance demands, and in response to his recommendations beg leave to report to the House a bill to prevent the accumulation of surplus revenue by reducing the present excessive and unjust rates of taxation imposed upon the people.

Our revenues for the fiscal year ending June 30, 1887, amounted to \$371,403,277.66, while our expenditures for the same time, including interest and sinking fund for the public debt, amounted to \$315,835,428.12; leaving a surplus of \$55,567,849.54 over and above all requirements for current expenditure. The receipts for the current year up to March 1 amounted to \$253,905,890, and the estimates for the remaining four months are \$136,094,110; making total receipts for the year \$390,000,000. The expenditures for the current year to March 1 amount to \$180,549,915, and the estimates of expenditure for the remaining four months amount to \$128,405,085; making a total of expenditures of \$309,000,000; leaving a surplus of \$81,000,000.

As our customs and internal taxes are levied on articles which go into consumption, we may expect our revenues to increase with the increase of consumption, which must keep pace with the growth of population and wealth. On the other hand, with an honest and economical administration of public affairs, our annual expenditures may be expected to decrease. The large surplus now in the Treasury, which it is estimated will exceed \$150,000,000 by the 1st day of July next, together with such as may thereafter be in the Treasury, may be applied to the reduction of the debt and the payment of annual interest charge on the same.

It is, then, safe to say that the above surplus, together with the yearly purchase of bonds required by law for the sinking fund, which is an expenditure included in the annual estimates of expenditures, and not in the estimate of the surplus, will extinguish by the date of

their maturity in 1891 all the outstanding $4\frac{1}{2}$ per cent bonds, amounting at this time to \$234,427,250, and still leave over \$60,000,000.

With receipts growing larger and expenditures growing smaller, we must soon gather into the Treasury the larger part of the circulation of the country, to the great injury of its business and the bankruptcy of many of its people. Some method must be adopted by Congress to prevent the congestion which must occur under existing laws.

There are two ways in which this excessive accumulation may be prevented. We may reduce taxation to the level of expenditures and leave in the pockets of the people all moneys not needed for public purposes, or we may raise expenditures to the height of taxation, seeking out new and useless objects of appropriation on which to lavish the great and growing revenues, not needed for any legitimate wants of the public service.

If we adopt the latter course these very objects of useless expenditure will gather upon Congress in such increasing numbers and with such growing demands as to fasten upon the Government a permanent and unchangeable policy of extravagant and reckless appropriations.

This policy once adopted will not only breed corruption in public life and demoralization in private life, but will compel, in periods of depression, an increased rate of taxation for the people or an increase of bonded debt for the Government.

There is but one safe course, and that is to reduce taxation to the necessary requirements of an honest, economical, and efficient administration of Government. Having determined upon this course as the one which a wise and just policy demands, we are confronted with the question, Upon what articles shall the reduction be made? Shall we leave our import duties as they are and repeal the internal-revenue taxes on alcoholic liquors and tobacco? Or shall we leave the internal-revenue tax as it is and make the reduction on imports alone? Or shall we reduce the taxes on both?

The committee have determined to recommend a reduction of the revenues from both customs and internal taxes. They have given the whole subject a careful and painstaking examination, and in the revision of the schedules have endeavored to act with a spirit of fairness to all interests. They have carefully kept in view at all times the interests of the manufacturer, the laborer, the producer, and the consumer.

The bill herewith reported to the House is not offered as a perfect bill. Many articles are left subject to duty which might well be transferred to the free list. Many articles are left subject to rates of duty which might well be lessened. In both respects the bill could be improved; but in its preparation the committee have not undertaken or felt authorized to construct a new and consistent system of tariff taxation. They have dealt with the existing system, seeking to free it of much of its injustice, to simplify its provisions, to diminish its complexity, and as far as practicable to lighten its pressure on the taxpayer and make it more contributory to our industrial prosperity and progress.

Furthermore, we have felt constrained to consult the opinions and give weight as far as possible to the views of our associates from

different parts of the United States, always subordinate, however, to the paramount consideration of the welfare of the entire country. From the beginning of our Government tariff legislation has been based on the principles of mutual concession. The present bill does not depart from this precedent.

In the progressive growth of our manufactures we have reached the point where our capacity to produce is far in excess of the requirements of our home consumption. As a consequence, many of our mills are closed, and many of those still in operation are running on short time. This condition is hurtful to the manufacturer, to the laborer, and producer of the materials consumed in manufacture. The manufacturer loses the profit on his capital, the laborer loses his wages, and the producer of the materials consumed in manufacture loses the market for his products. Manufacturers, in many instances, to guard against losses by low prices caused by an oversupply in the home market, are organizing trusts, combinations, and pools to limit production and keep up prices. This vicious condition of business could not exist with low duties, but is the legitimate outgrowth of prohibitory duties on imports. Prohibitory tariffs surround the country with lines of investment and prevent all relief from without, while trusts, combinations, and pools plunder the people within.

In a country like ours, prolific in its resources, where the rewards of labor ought to be large, the capitalist may by such methods keep his investments secure and still make profits, but what is to become of the laborers who are thrown out of employment by stopping the wheels of machinery and limiting the amount of product? And what is to become of the producer of the materials to be consumed by the manufacturer? When the fires are shut off, the laborer and the materials are shut off at the same time, and the market for both is gone; whether they labor in the factory or the field, whether they produce cotton, wool, hemp, flax, coal, or ore; whether the product of their daily labor is cloth, iron, steel, boots, or shoes, they must have constant employment to obtain for themselves and families the necessities and comforts of life.

When out of employment, with earnings cut short, with low prices for their products caused by the closing of the market, they still must pay for whatever their daily wants require the prices which the trusts have fixed. What is the remedy for this wrong? It is more extended markets for the sale of our products, and a constant and active competition in business. With active competition combinations and pools are impossible. With the markets of the world open to us our manufacturers may run their mills on full time, give constant employment to their laborers, with a steadily increasing rate of wages. With the markets of the world open to the sale of their products they will create an active and constant demand for all the raw materials required in manufactures, which will stimulate, promote, and reward the wool-grower and the producer of cotton, hemp, flax, hides, ores, and other materials of manufacture. We are the largest producers of cotton in the world, we are second in the production of wool, we put on the market annually quantities of hemp and flax, and our country is full of ores and coal. What we need is manu-

factures enough to consume all the annual product of these materials, and create an active demand for them, so that all our workmen may be constantly employed and receive high prices for their labor.

To accomplish this our manufacturers must have markets for the sale of their wares, and these markets are to be found in foreign countries as well as at home. To take the foreign market from the foreign manufacturer, we must produce our goods at a lower cost than he can. The principal elements of cost are labor and material. In many of our manufactures the labor cost is lower than in any country in the world, and if the cost of materials were as low here as in foreign countries we could produce our goods more cheaply than they, and largely increase our exports to foreign markets.

The annual product of our manufactories is now estimated at \$7,000,000,000, of which amount we export only about \$136,000,000, or less than 2 per cent. If we could obtain free of duty such raw materials as we do not produce and can only be procured in foreign countries, and mix with our home product in the various branches of manufacture, we could soon increase our exports several hundred millions. With untaxed raw materials we could keep our mills running on full time, our operatives in constant employment, and have an active demand for our raw materials in our own factories. If there should be no duty on any materials entering into manufactures many articles now made abroad would be made at home, which, while it would give more employment to our own labor, would give a better market to many articles which we produce and which enter into manufactures, such as cotton, wool, hemp, flax, and others.

With this end in view we have gone as far as we could and done what we could in the present condition of things to place our manufactures upon a firm and unshaken foundation, where they would have advantages over all the manufacturers of the world. Our manufacturers having the advantage of all others in the intelligence, skill, and productive capacity of their labor, need only to be placed on the same footing with their rivals in having their materials at the same cost in the open markets of the world. In starting on this policy we have transferred many articles from the dutiable to the free list. The revenues now received on these articles amount to \$22,189,595.48. Three-fourths of this amount is collected on articles that enter into manufactures, of which wool and tin plates are the most important. The revenues derived from wool during the last fiscal year amounted to \$5,899,816.63, and the revenues from tin plates to \$5,706,433.89.

The repeal of all duties on wool enables us to reduce the duties on the manufactures of wool \$12,332,211.65. The largest reduction we have made is in the woolen schedule, and this reduction was only made possible by placing wool on the free list. There is no greater reason for a duty on wool than there is for a duty on any other raw material. A duty on wool makes it necessary to impose a higher duty on the goods made from wool, and the consumer has to pay a double tax. If we leave wool untaxed the consumer has to pay a tax only on the manufactured goods.

It is contended by some that if we put wool on the free list we should also put woolen goods on the free list. If this is sound policy

we should also put cotton goods on the free list, for raw cotton is free, and we should put silk goods on the free list, for raw silk is free. Then where would the Government get its revenues? Duties are imposed to raise revenue, and they should be so imposed as to obtain the revenue with as little burden as possible to the taxpayer and as little disturbance as possible to the business of the country. This is accomplished by imposing the duty on the finished goods alone, and in no tariff, from the first to the last, have woolens, cottons, silks, or linens been placed on the free list. We say to the manufacturer we have put wool on the free list to enable him to obtain foreign wools cheaper, make his goods cheaper, and send them into foreign markets and successfully compete with the foreign manufacturer. We say to the laborer in the factory we have put wool on the free list so that it may be imported and he may be employed to make the goods that are now made by foreign labor and imported into the United States. We say to the consumer we have put wool on the free list that he may have woolen goods cheaper. We say to the domestic woolgrower we have put wool on the free list to enable the manufacturer to import foreign wool to mix with his, and thus enlarge his market and quicken the demand for the consumption of home wool, while it lightens the burden of the taxpayer.

The duty on wool now prevents nearly all the better classes of wool from coming into the country; the domestic product can supply only about one-half of the amount required for home consumption. The statistician of the Agricultural Department puts the domestic product for the year 1887 at 265,000,000 pounds. Others place it higher, but none at more than half the annual consumption of our people. It requires about 600,000,000 pounds of wool and other fibers manufactured with it, which are now paying duty, to supply the annual demands of home consumption.

Why, then, should we keep out by high duties the foreign wools so necessary to the clothing of the people? The Woolgrowers' Association ask us to put on a duty high enough to prevent the importation of all wools. The Wool Manufacturers' Association ask us to put on a duty high enough to keep out all manufactures of wool. If Congress grants this joint request, what are the people to do for woolen clothing? Are the people to be compelled by Congress to wear cotton goods in the winter or go without, to give bounties to woolgrowers and wool manufacturers?

During the last fiscal year there were 114,404,173 pounds of wool imported, and of that amount 81,504,447 were cheap carpet wool, the greater part of which paid $2\frac{1}{2}$ cents per pound duty. The high duty of 10 cents per pound on the finer wools that go into clothing was so great a barrier against the importation of the better wools that only 33,099,696 pounds were imported. But our people required clothing, and if Congress put a duty so high on wool as to keep it out, still, high as was the duty on woolen goods, \$44,235,243 worth were imported and consumed in this country, upon which duties were paid amounting to \$29,729,717.

If the charges constantly being made are true, that great quantities of these goods are coming in undervalued, underweighed, and undermeasured, then the aggregate amount is much larger. Frauds of this character, smuggling, and bribery follow prohibitory duties just

as the shadow follows the substance. These goods for the most part could be manufactured in the United States, and if the wools in them could be admitted free of duty, it would give employment to many thousands of our own operatives, start into life and keep in active operation many of our factories now idle, and largely reduce the cost of these goods to the consumers.

We must find a way to foreign markets for our woolen goods. In the foreign market we must compete with the foreign producer, and in order to do so successfully we must produce our goods at a lower cost and be able to undersell the foreign product and take the market. We are now exporting only \$539,341 worth of woolen goods, while England, with free wool, exports more than \$100,000,000. With free wool we may not only supply the home market with the greater part of the woolen goods now imported, but we can begin to export woolen goods and soon build up a prosperous foreign trade.

We submit herewith a table showing equivalent ad valorem duties now paid on manufactures of wool—those proposed by the committee and those proposed by the joint agreement of Woolgrowers' and Wool Manufacturers' Association, adopted in Washington, D. C., January 14, 1888.

Articles.	Present equivalent ad valorem.	Proposed equivalent ad valorem.	Proposed by convention of wool dealers, growers, and manufacturers.
Wools, hair of the alpacas, goat, and other like animals:			
Manufactures—			
Balmorals—			
Valued at above 30 and not exceeding 40 cents per pound.. pounds..	67.72	40	} 111.73
Valued at above 40 and not exceeding 60 cents per pound.....do....	65.59	40	
Valued at above 60 and not exceeding 80 cents per pound.....do....	68.15	40	
Valued at above 80 cents per pound.....do.....	66.35	40	
Belts or felts, endless, for paper or printing machines.....do.....	52.87	30	78.59
Blankets—			
Valued at not exceeding 30 cents per pound.....do.....	79.66	40	} 128.76
Valued at above 30 and not exceeding 40 cents per pound.....do....	63.85	40	
Valued at above 40 and not exceeding 60 cents per pound.....do....	69.56	40	
Valued at above 60 and not exceeding 80 cents per pound.....do....	69.36	40	
Valued at above 80 cents per pound.....do.....	70.30	40	} 99.36
Bunting.....square yards..	80.75	40	
Carpets and carpeting of all kinds—			
Aubusson, Axminster, and Chenille carpets, and carpets woven whole for rooms.....square yards..	47.14	30	72.85
Brussels carpets.....do.....	59.03	30	88.67
Druggets and bookings, printed, colored, or otherwise.....do....	73.92	30	123.20
Mats, screens, hassocks, and rugs, not exclusively of vegetable material.....do.....	40.00	30	50.00
Of wool, flax, or cotton, or parts of either, or other material not specially enumerated or provided for.....square yards..	40.00	30	55.03
Patent velvet and tapestry velvet carpets, printed on the warp or otherwise.....square yards..	55.10	30	85.13
Saxony, Wilton, and Tournay velvet carpets.....do.....	54.27	30	82.36
Tapestry Brussels, printed on the warp or otherwise.....do....	61.13	30	88.76
Trehle ingrain, three-ply, and worsted chain Venetian carpets.....do....	45.79	30	69.73
Yarn, Venetian, and two-ply ingrain carpets.....do.....	44.70	30	68.37
Hemp and jute carpets.....do.....	24.76	30	79.03
Clothing, ready-made, and wearing apparel (except knit goods), not specially enumerated or provided for, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other (like) animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer—			
Cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and goods of similar description, or used for like purposes.....pounds..	67.74	45	} 83.11
Clothing, ready-made, and wearing apparel of every description not specially enumerated or provided for, and balmoral skirts and skirting, and goods of similar description, or used for like pur-			

Articles.	Present equivalent ad valorem.	Proposed equivalent ad valorem.	Proposed by conven- tion of wool deal- ers, growers, and manufacturers.
ools, hair of the alpaca, goat, and other like animals—Continued.			
Manufactures—Continued.			
Cloths, woollen—			
Valued at not exceeding 80 cents per pound.....do.....	89.84	40	128.33
Valued at above 80 cents per pound.....do.....	68.91	40	91.30
Dress goods, women's and children's coat linings, Italian cloths, and goods of like description—			
Composed in part of wool, worsted, the hair of the alpaca, goat, or other animals—			
Valued at not exceeding 20 cents per square yard.....square yards..	67.89	40	102.61
Valued at above 20 cents per square yard.....do.....	59.06	40	71.78
Composed wholly of wool, worsted, the hair of the alpaca, goat, or other animals, or of a mixture of them, and all such goods of like description, with selvages made wholly or in part of other mate- rials, or with threads of other materials introduced for the purpose of changing the classification—			
Weighting 4 ounces or less per square yard.....square yards..	82.96	40	107.28
All weighing over 4 ounces per square yard.....pounds..	69.68	40	92.40
Flannels—			
Valued at not exceeding 30 cents per pound.....do.....	73.42	40	121.39
Valued at above 30 and not exceeding 40 cents per pound.....do.....	66.20	40	
Valued at above 40 and not exceeding 60 cents per pound.....do.....	67.69	40	
Valued at above 60 and not exceeding 80 cents per pound.....do.....	67.65	40	108.66
Valued at above 80 cents per pound.....do.....	73.02	40	
Hats of wool—			
Valued at above 30 and not exceeding 40 cents per pound.....do.....		40	134.54
Valued at above 40 and not exceeding 60 cents per pound.....do.....	73.04	40	
Valued at above 60 and not exceeding 80 cents per pound.....do.....	66.22	40	
Valued at above 80 cents per pound.....do.....	52.07	40	69.77
Knit goods, and all goods made on knitting frames—			
Valued at not exceeding 30 cents per pound.....do.....	88.33	40	125.71
Valued at above 30 and not exceeding 40 cents per pound.....do.....	65.20	40	
Valued at above 40 and not exceeding 60 cents per pound.....do.....	69.14	40	
Valued at above 60 and not exceeding 80 cents per pound.....do.....	69.62	40	83.29
Valued at above 80 cents per pound.....do.....	62.58	40	
Shawls, woollen—			
Valued at not exceeding 80 cents per pound.....do.....	88.44	40	126.32
Valued at above 80 cents per pound.....do.....	65.41	40	84.19
Composed wholly or in part of worsted, the hair of the alpaca, goat or other animals.....pounds..	61.53	40	
Webbings, gorings, suspenders, braces, beltings, bindings, braids, gal- loons, fringes, gimps, cords, cords and tassels, dress trimmings, head nets, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, wrought by hand or braided by machinery, made of wool, worsted, the hair of the alpaca, goat, or other animals, or of which wool, worsted, the hair of the alpaca, goat, or other animals is a com- ponent material.....pounds..	66.21	50	77.00
Yarns, woollen and worsted—			
Valued at not exceeding 30 cents per pound.....do.....	69.40	40	116.69
Valued at above 30 and not exceeding 40 cents per pound.....do.....	67.90	40	
Valued at above 40 and not exceeding 60 cents per pound.....do.....	68.08	40	
Valued at above 60 and not exceeding 80 cents per pound.....do.....	69.08	40	117.11
Valued at above 80 cents per pound.....do.....	68.79	40	
All manufactures of every description not specially enumerated or pro- vided for, made wholly or in part of—			
Wool—			
Valued at not exceeding 80 cents per pound.....pounds..	88.81	40	126.87
Valued at above 80 cents per pound.....do.....	64.46	40	84.93
Worsted, the hair of the alpaca, goat, or other animals (except such as are composed in part of wool)—			
Valued at not exceeding 30 cents per pound.....pounds..	76.49	40	123.10
Valued at above 30 and not exceeding 40 cents per pound.....do.....	69.38	40	
Valued at above 40 and not exceeding 60 cents per pound.....do.....	68.28	40	
Valued at above 60 and not exceeding 80 cents per pound.....do.....	68.15	40	112.65
Valued at above 80 cents per pound.....do.....	71.99	40	

From the above table it will be seen that the wool-growers and wool-manufacturing association are clamoring for higher taxes. The contest in the woollen schedule is not between the present rate and the rate proposed by the committee, but between the rate proposed by the

committee and the schedule agreed upon by the Wool Growers' Association and Wool Manufacturers' Association. The committee propose free wool and a reduction from present rates to 40 per cent ad valorem on all manufactures except carpets, which were made dutiable at 30 per cent; ready-made clothing at 45 per cent, and webbings, gorings, etc., at 50 per cent. The joint agreement of the two associations proposes to increase the present rate to 128 per cent on some of the cheaper cloths; to 102 per cent on the cheaper grades of women's and children's dress goods when composed in part of wool, and to 107 per cent when composed wholly of wool; on cheaper grades of flannels to 121 per cent; on cheaper grades of wool hats to 134 per cent; on cheaper grades of knit goods to 125 per cent; on cheaper grades of woolen shawls to 126 per cent; on woolen blankets to 128 per cent.

These rates, high as they are, are not the highest that are imposed on all woolen goods by the joint agreement. They are only the highest rate on the lowest valued goods, as shown in the agreement. All goods at a lower value are taxed at a still higher rate.

This most extraordinary schedule has been made and agreed upon by the two parties named, and it has been introduced into the House and referred to this committee.

In the woolen schedule we have substituted ad valorem for specific duties. The specific duty is the favorite of those who are to be benefited by high rates, who are protected against competition, and protected in combinations against the consumer of their products. There is a persistent pressure by manufacturers for the specific duty because it conceals from the people the amount of taxes they are compelled to pay to the manufacturer. The specific duty always discriminates in favor of the costly article and against the cheaper one, and therefore it imposes a heavier burden as it goes down from the highest priced articles to the lowest. This discrimination is peculiarly oppressive in woolen and cotton goods, which are necessities of life to all classes of people. In order that this fact may be clearly seen and comprehended we append a table taken from the first annual report of the Commissioner of Labor (p. 251):

This table states the description of the goods, their width in inches, and the weight per yard of each kind; the price of the goods at the factory; the rate and the amount of duty per pound and ad valorem, and the total amount of duty levied under the compound rate; and also the per cent which the total duty is of the price per yard at the factory in England.

Price per yard of Leeds (England) woolen and mixed goods, duties, etc.

Name.	Description.			Duty.							Cost in New York, not including packing, carriage to port, ocean freight, and insurance.
	Width (Inches).	Weight (ounces).	Price at factory.	Rate.		Amount.			Per cent of price at factory.		
				Per pound.	Ad valorem (per cent).	Per pound.	Ad valorem.	Total.			
st of England broadcloth ..	60	17	\$3. 60	\$0. 35	40	\$0. 372	\$1. 440	\$1. 812	50. 3	\$5. 412	
e worsted trousering ..	28	11	1. 62	. 35	40	. 241	. 648	. 889	64. 9	2. 509	
itation sealskin (mohair ..											
nd cotton) ..	50	31	4. 50	. 35	40	. 678	1. 800	2. 478	55. 0	6. 978	
st of England beaver ..	58	25	3. 36	. 35	40	. 547	1. 344	1. 891	56. 3	5. 251	
st of England all-wool ..											
moscow ..	58	29	3. 60	. 35	40	. 634	1. 440	2. 074	57. 6	5. 674	
e worsted coating ..	56	24	2. 88	. 35	40	. 525	1. 152	1. 677	58. 2	4. 557	
e worsted trousering ..	28	12	1. 42	. 35	40	. 263	. 568	. 831	58. 5	2. 251	
igo blue cheviot coating ..	58	28	2. 40	. 35	40	. 612	. 960	1. 572	65. 5	3. 972	
w worsted coating (worsted ..											
ce, woolen back, cotton ..											
arp) ..	50	24	. 82	. 18	35	. 270	. 287	. 557	68. 0	1. 377	
w worsted trousering (wool- ..											
n back) ..	28	11	. 48	. 24	35	. 165	. 168	. 333	69. 4	. 813	
oman (worsted face, woolen ..											
ack, cotton warp) ..	50	27	. 82	. 18	35	. 304	. 287	. 591	72. 0	1. 411	
telasse (worsted face, wool- ..											
n back, cotton warp) ..	50	28	. 84	. 18	35	. 315	. 294	. 609	72. 5	1. 449	
ttle cloth (worsted face, ..											
oolen back, cotton warp) ..	50	24	. 68	. 18	35	. 270	. 238	. 508	74. 7	1. 188	
ol, fancy suiting ..	54	25	. 94	. 35	35	. 547	. 329	. 876	93. 2	1. 816	
ton-warp cloth ..	50	15	. 54	. 35	35	. 328	. 189	. 517	95. 7	1. 057	
icy coating ..	54	23	. 78	. 35	35	. 503	. 273	. 776	99. 5	1. 556	
icy cheviot ..	54	25	. 82	. 35	35	. 547	. 287	. 834	101. 7	1. 654	
ol, fancy suiting ..	54	22	. 70	. 35	35	. 481	. 245	. 726	103. 7	1. 426	
gonal cheviot ..	54	25	. 76	. 35	35	. 547	. 266	. 813	107. 0	1. 573	
mon blue cheviot coating ..	52	25	. 72	. 35	35	. 547	. 252	. 799	111. 0	1. 516	
ton-warp moscow ..	52	35	. 96	. 35	35	. 766	. 336	1. 102	114. 8	2. 062	
ton-warp cloth ..	52	25	. 64	. 35	35	. 547	. 224	. 771	120. 5	1. 411	
ton-warp twilled melton ..	50	16½	. 42	. 35	35	. 361	. 147	. 508	121. 0	. 928	
ton-warp moscow ..	52	30	. 74	. 35	35	. 656	. 259	. 915	123. 6	1. 655	
ton-warp cloth ..	50	13	. 32	. 35	35	. 284	. 112	. 396	123. 7	. 716	
icy overcoating (cotton ..											
arp) ..	50	34	. 82	. 35	35	. 744	. 287	1. 031	125. 7	1. 851	
ton-warp reversible ..	50	31	. 74	. 35	35	. 678	. 259	. 937	126. 6	1. 677	
icy overcoating (cotton ..											
arp) ..	50	32	. 76	. 35	35	. 700	. 266	. 966	127. 0	1. 726	
ton-warp coating ..	50	17	. 40	. 35	35	. 372	. 140	. 512	128. 0	. 912	
itation sealskin (calf hair ..											
ixed with wool, cotton ..											
arp) ..	50	28	. 56	. 35	35	. 612	. 196	. 808	144. 3	1. 368	
ton-warp coating ..	50	23	. 46	. 35	35	. 503	. 161	. 664	144. 3	1. 124	
ton-warp melton ..	50	13	. 24	. 35	35	. 284	. 084	. 368	153. 3	. 608	
ton-warp serge melton ..	50	15½	. 26	. 35	35	. 339	. 091	. 430	165. 4	. 690	
versible diagonal (cotton ..											
arp) ..	50	29	. 48	. 35	35	. 634	. 168	. 802	167. 1	1. 282	
versible nap (cotton warp) ..	50	29	. 44	. 35	35	. 634	. 154	. 788	179. 1	1. 228	
ton-warp reversible ..	50	30	. 45	. 35	35	. 656	. 157	. 813	180. 7	1. 263	

This table is well worthy of careful study. In examining the figures given in the column headed "Price at factory" and the column headed "Per cent of price at factory," which the total duty amounts to, the startling inequalities in the rate of duty to be paid in this country becomes apparent. The highest-priced goods named in the table is West of England broadcloth, worth \$3.60 per yard in Leeds, the specific duty being 35 cents per pound and the ad valorem duty 40 per cent, making a total duty of 50.3 per cent on the value at the factory. This is on a high grade of goods. In looking at the bottom of the table the last entry is for cotton-warp reversible cloth, made in imitation of a better ad. It is worth but 45 cents per yard at the factory. The specific duty is the same as on the West of England broadcloth, 35 cents per pound, the ad valorem duty is 35 per cent, but the specific duty and the ad valorem duty to-

gether make the rate on the price at the factory 180.7 per cent. That is to say the cheaper the goods at the factory the greater is the proportional increment of duty. The column headed "Per cent of price at factory," which shows the percentage that the duty is of the factory price, brings this out clearly.

The above table shows the true nature of specific duties, and the consumer can see why it is that manufacturers clamor for them. They know the different values of these goods, and what apt words will embrace the high and low priced together, and make the poorer people pay the same tax for a yard of cloth worth 45 cents that the wealthy do for a yard that costs \$3.66; but that fact the specific tariff conceals. The ad valorem rate taxes everything according to its value. A duty of 40 per cent ad valorem would have imposed a tax of \$1.44 on the yard of broadcloth and 18 cents on the cotton-warp cloth that costs 45 cents, and the duty would have been fair to both. As it is, the tax is 180 per cent on the cheap cloth and 50 per cent on the high-priced broadcloth.

In the cotton-goods schedule we see the same "vicious, inequitable, and illogical" results of the specific duty. As an illustration, we refer to the report of the Secretary of the Treasury on the revision of the tariff, February 16, 1886, pages 84, 85, 86, and 87. It will be seen in his report, by the tables sent to him by persons dealing in cotton goods imported into the United States from foreign countries, that cheap goods costing 3.55 cents per yard pay 176 per cent duty, while those costing 8.12 cents per yard pay 77 per cent duty; and goods that cost 4 cents per yard pay a duty of 94 per cent, while those that cost 2 cents per yard pay a duty of 208 per cent. These inequalities run throughout the whole specific system. It is that feature that specially commends it to the manufacturer of the competing article. As these excessive rates are thought to be more hurtful in cotton and woolen goods than in the articles embraced in the other schedules, the committee have substituted the ad valorem for the specific duties as to all articles in the woolen schedule, and in all except yarns in the cotton schedules.

In 1789 a duty was imposed on imported hemp, and in 1828 on imported flax, and while at intervals these fibers were imported free without harm to the American producer, yet since 1842 American flax and hemp have been "protected," and this necessitated the imposition of duties upon all manufactures from these and like fibers.

In spite of these duties American hemp has decreased in the amount of production from 74,493 tons in 1860 to 5,025 tons in 1880, as shown by the census reports of those two years, and flax from 7,709,676 pounds in 1850 to 1,565,546 pounds in 1880. But the demand and necessity for the products manufactured from these and similar fibers has greatly increased, and the importations of the raw material and of the finished product have necessarily equally increased. Formerly every pound of American cotton was covered with bagging and tied with rope made from American hemp; now over 50,000,000 yards of cotton bagging manufactured from imported jute butts are used to cover the 7,000,000 bales of American cotton which are tied with iron cotton ties, while the present mode of harvesting the immense grain crop of the country requires about 33,000 tons of twine, nearly all of which is made from imported material. So that, in the effort to "protect" probably 8,000 tons of American hemp and 1,500,000 pounds of American flax, a tax larger than the

entire value of both these products is imposed on cotton and wheat, whose price to the producer is fixed in the foreign market, where they come in competition with cotton raised in India and wheat raised in foreign countries.

Your committee have put all these fibers upon the free list, thereby relieving the goods manufactured in America of the tax, amounting last year to \$1,930,340 on raw material. It has also put on the free list burlaps not exceeding 60 inches in width, none of which is made in America, and of which last year there was imported \$3,260,117.40 worth, upon which were levied and paid \$978,035.22. It has reduced the duties on all the manufactures from these fibers so that, except on a very few articles, no duty is higher than 25 per cent, and some as low as 15 per cent. The aggregate estimated reduction on this schedule is \$4,766,846.88.

Your committee feel assured that no industry will be injured by this reduction of taxation, while it will enable the American manufacturer to compete on equal terms with his rivals, will reduce the cost of production of cotton and wheat, and will cheapen to the consumer the goods which he must purchase.

The duty on sugar is nearly a revenue tax, about 85 per cent of it being purely a tax paid into the Public Treasury; and all the sugars used in America are refined in this country. Your committee desired, in reducing the revenue received from this source, not to endanger the profitable production and refining of sugar here, and yet to prevent oppression by trusts and combinations. After much consideration, we now recommend that the revenue received from sugar be reduced by reducing the rates 20 per cent.

This reduction of rates on all sugars above No. 13 will render possible the importation of foreign refined sugars, so as to prevent exorbitant prices and protect consumers against combinations.

In the earthen and glass ware schedules we have made fair reductions, the larger part of these articles, such as common earthenware and window glass, being necessary articles of consumption by the great body of the people, and especially the laboring classes. Ornamented china and decorated earthenware we have reduced from 60 to 5 per cent, common earthenware from 60 to 35 per cent, and window glass from 93 and 106 to 62 and 68 per cent.

In the metal schedule the most important reduction is in steel railway bars, which are now dutiable at \$17 per ton, and by the proposed bill at \$11 per ton. This is a reduction of about 35 per cent ad valorem. This reduction will be of great value in promoting and cheapening the construction of railroads and lowering the rates of transportation of freight. Two years ago steel rails sold in this country at \$27 a ton. The manufacturers during last year ran the price up to \$40. The present price is \$31.50. Last year 12,724 miles of railroad were constructed in the United States, which required 300,000 tons of rails. It is therefore patent that, by reason of the present exorbitant duty of \$17 a ton, the manufacturers were able to raise the price more than \$8.50 a ton. They were therefore able to realize, over and above a legitimate profit, more than \$11,000,000. This sum was an increase in the cost of construction, upon which the farmers must pay interest and dividends by way of increased freights upon their wheat, cotton, corn, and other products. The price of rails

on board ship in Liverpool last year was \$21; adding freight, the cost of same, without duty, in this country, was \$23.50. The duty fixed by the committee, \$11, would increase the price to \$34.50, or \$3 above the price for which American rails are now selling. It is therefore apparent that the rate of duty allowed by the committee is more than enough to compensate our manufacturers for the difference in cost between the American and foreign product.

While we have been constrained to leave high duties on almost all the articles we have touched—duties higher than any necessity either of revenue or of difference of cost of American over foreign products required—we have felt that we ought to give some relief to other branches of industry not benefited by high duties imposed for private purposes. A large number of our people are interested in manufacturing tin, and others in putting up meats, fish, fruit, vegetables, oils, and other articles in manufactures of tin. Many of these products are exported and many consumed at home. During the last fiscal year there were imported into the United States 570,643,389 pounds of tin plate, valued at \$16,883,813.95, on which duties were paid amounting to \$5,706,433.89.

We are informed that the value of the salmon caught in the Columbia River, Oregon, and canned and exported during the last fiscal year, amounted to nearly \$2,000,000, while the lard that was canned and exported exceeded \$14,000,000, and the fruits and meats exceeded \$4,000,000. We believe that the removal of the duty on tin plate would reduce the cost of these and other canned goods now being exported, and give to our people engaged in that trade such an advantage in the foreign market as would effectually overcome all competition, and enable them to hold the market and build up a large foreign trade.

The exporter, under existing law, has a drawback of 90 per cent of the duty paid on tin plate, but the repeal of the duty would give him the remaining 10 per cent, and enable him to sell so much lower and give him additional advantage over his foreign competitor. Besides this, the consumers of canned goods at home would obtain them at a reduced price.

The manufacture of tin cans is growing into an extensive industry in the United States. More than 150,000,000 cans are made per year in the city of Baltimore alone, while New York, Philadelphia, Chicago, and other northern cities produce large quantities of articles manufactured from tin plate.

We have placed cotton ties also on the free list. The duties received from them during the last fiscal year were \$121,098.99. Cotton is our largest exporting product. The price is so low, and has been for a number of years, that it hardly pays the cost of producing it, and the committee felt that it was a proper subject for consideration while they were repealing taxes and reducing the surplus revenue of the Government. To our farmers in the Middle and Northern States, engaged in raising hogs and selling their products, we have made salt free of duty and released revenues amounting to \$676,865.50. To the people who are settling up the vast prairies of the West, inclosing their lands and building farmhouses, we have made lumber free, and removed duties amounting to \$1,039,207.35.

The bill which the committee reports provides for the repeal of all restrictions on the sale of tobacco by the producer, and for the repeal

of all taxes on tobacco except on cigars, cigarettes, and cheroots, and of all privilege and license taxes except those for manufacturing and selling cigars, cigarettes, and cheroots. The repeal of special and privilege taxes is also recommended. These taxes have been a fruitful source of the petty prosecutions which have crowded the Federal court dockets in some portions of the country. It is not believed that their retention is essential to the efficient collection of the revenue, and they should no longer be retained.

The changes in the administrative features of the present law are fully shown by the letter of the Secretary of the Treasury, dated March 14, 1888, and the reductions in the internal revenue will be shown by the letter of the Commissioner of Internal Revenue, dated March 12, 1888, both of which are hereto appended.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., March 14, 1888.

SIR: Mr. Talbott, clerk of your committee, has presented me copies, respectively, of the proposed bill "to reduce taxation and simplify the laws in relation to the collection of the revenue," and of the tables relating to the same, with the request that I communicate to you my views as to the probable effect the adoption of the administrative sections of the bill would have upon the revenue, and also that I cause the computations in the tables to be verified, and footings of the column of "values" therein to be made by experts in this department.

With regard to the effect sections 5 to 23 of the bill would have upon the revenue, I have to advise you as follows:

1. The proposed substitute for section 2499, Revised Statutes, would not, it is thought, affect the revenue one way or the other further than to prevent loss of duties, by securing uniformity of action in the classification of merchandise.

2. The tendency of the amendment to "Schedule A," respecting "anhydrous alcohol," etc., would be to restrict importations of the article. This would not, however, affect the revenue appreciably, as the importations are trifling in amount.

3. The amendment to the free list as to "articles the growth, produce, and manufacture of the United States," etc., would not apparently affect the revenue.

4. The amendment relating to "wearing apparel, personal effects," etc., would naturally result in an increase of revenue. But there is no definite basis for determining such increase. It would probably not fall short, however, of \$500,000 per annum.

5. While the effect of section 6 would be to increase the dutiable value of merchandise subject to ad valorem duties, its tendency, at the same time, would be to restrict speculative importations, which have been stimulated by the opportunities for evasion afforded by the present law, as interpreted by the Supreme Court and construed by the Attorney-General. The section would not, therefore, in my opinion, operate to increase materially, if at all, the aggregate amount of revenue collected.

No better illustration of the unreliability of mere individual opinions concerning the probable effect upon the revenue of tariff legislation can be cited than the estimates given by the customs officers of the amount required to pay refunds due importers under the Oberteuffer decision, respecting coverings, and the annual reduction of duties on this account. These estimates, as to the amount necessary to pay refunds, were from \$3,000,000 to \$5,000,000, while the annual reduction of duties was variously estimated at from \$6,000,000 to \$10,000,000.

It is now practically ascertained that the amount actually paid and to be paid as refunds, covering a period of near three years, will not exceed \$2,000,000, while the importations and revenue have largely increased, due doubtless in some measure to the opportunity for evasions as above stated.

6. Sections 7 and 8 are calculated to promote orderly administration and the convenience of importers, but will not, it is thought, have any positive effect upon the revenue.

7. The effect of section 9 would be (1) to abolish the 10 per cent additional duty now collected (under sec. 2970, R. S.) on merchandise remaining in bond more than one year, amounting approximately to \$35,000 per annum; and (2)

to reduce the revenue by reason of the assessment of duties on the quantity of merchandise withdrawn from warehouse instead of on the quantity actually imported and entered originally, as required by existing law (sec. 2983, R. S.) The amount of such reduction can not be estimated. It would certainly be considerable, and might be very large. The tendency of the proposed amendments would be to increase the volume of goods warehoused and the consequent liability of loss of duties thereon.

8. There is nothing in sections 10 and 11 apparently calculated to affect the revenue.

9. Section 12 abolishes fees collected on entry of merchandise only. As these fees are not separately reported to the department, there is no ready means of ascertaining the exact amount thereof. It may be safely assumed, however, that the reduction on this account would not exceed \$375,000 per annum.

10. The tendency and effect of sections 13 to 18, inclusive, would be to prevent fraudulent attempts upon the revenue, and to insure a more strict and honest enforcement of the tariff laws. Whatever increased duties might result from such improved administration would probably be offset by a decrease of speculative importations made with a view of defrauding the revenue.

11. Section 19. There being no available data for determining the precise amount of duties remitted on account of damage, the exact effect of this section upon the revenue can not be stated. A certain proportion of the merchandise on which damage is now allowed would be abandoned under this section and no duties collected thereon. Another result of this section would be to prevent the importation of any but sound goods, and especially to discourage the shipment, now common, of damaged fruits, nuts, and other such articles, upon which large damage allowances are now made. In any event it is not thought the section would affect the revenue to exceed \$500,000 annually. Its great advantage would be to protect honest importers and stop frauds.

I inclose herewith copy of the tables on which footings have been made as requested. With the exception of a few unimportant errors, these tables, as printed, appear to be arithmetically correct.

Respectfully, yours,

C. S. FAIRCHILD,
Secretary.

Hon. R. Q. MILLS,
*Chairman Committee on Ways and Means,
House of Representatives.*

Estimate of effect of proposed bill on revenues, based on importations of 1887.

Free list.	Importations of 1887.		Average ad valorem under—	
	Values.	Duties.	Present.	Proposed.
			Per cent.	Per cent.
Wood, salt, hemp, chemicals, metals, etc.				
Wool.....	\$61, 672, 120.42	\$16, 799, 450.75	27.24	29.60
	18, 206, 987.97	5, 380, 064.73		
Total free list.....	79, 879, 108.39	22, 189, 595.48	27.78	
Schedules (dutiable).	Importations of 1887.		Estimated—	
	Values.	Duties.	Duties under proposed bill.	Amount of duties remitted.
A. Chemicals.....	\$5, 050, 325.28	\$2, 012, 120.51	\$1, 133, 846.78	\$878, 273.73
B. Earthenware and glassware.....	10, 492, 067.32	6, 920, 108.16	6, 163, 820.44	1, 756, 287.72
C. Metals.....	16, 152, 788.24	8, 456, 847.29	6, 976, 374.70	1, 480, 472.59
D. Wood and wooden ware.....	889, 558.56	307, 805.13	260, 217.95	47, 587.18
E. Sugar.....	68, 897, 102.27	56, 515, 601.67	45, 222, 513.73	11, 292, 087.94
F. Tobacco.....	26, 441.00	21, 587.00	10, 064.60	11, 502.40
G. Provisions.....	3, 235, 987.68	1, 711, 805.92	1, 380, 320.92	331, 485.00
H. Cotton and cotton goods.....	2, 423, 585.23	1, 233, 599.57	1, 935, 989.28	277, 610.29
I. Hemp, jute, and flax goods.....	17, 434, 513.05	6, 228, 310.41	4, 185, 954.62	2, 042, 355.79
J. Wool and woolsens.....	42, 448, 127.04	29, 258, 442.90	16, 625, 881.70	12, 330, 561.20
K. Books, papers, etc.....	57, 288.01	13, 962.25	10, 425.36	3, 536.90
N. Sundries.....	11, 221, 253.04	4, 984, 936.33	3, 905, 795.33	1, 079, 141.00
Total dutiable.....	178, 329, 048.72	117, 663, 127.14	86, 132, 185.40	31, 530, 941.74
Total free list.....	79, 879, 108.39	22, 189, 595.48		22, 189, 595.48
Total tariff reductions.....			86, 132, 185.40	53, 720, 447.22
Total internal-revenue reduction.....				24, 455, 007.00
Total proposed reduction.....				78, 176, 054.22

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE,
Washington, March 12, 1888.

Estimated reduction of internal taxation under the provisions of "A bill to repeal certain tobacco and other taxes, and to modify internal-revenue laws."

Total receipts from tobacco, fiscal year 1887-----	\$30, 108, 067
Deduct cigars and cigarettes-----	\$12, 157, 196
Deduct special taxes manufacturers of cigars-----	18, 570×\$3= 55, 710
Deduct special taxes dealers in tobacco-----	514, 000×\$1= 514, 000
	12, 726, 906
Receipts from proposed repealed sources, fiscal year 1887-----	17, 381, 161
The increase in the receipts of that part of the tobacco tax which this bill proposes to repeal during the first seven months of the current fiscal year over the receipts for the corresponding period of the last fiscal year was \$1,234,101, or 13 per cent. Assuming that this rate of increase will continue to the close of the fiscal year, the receipts from these objects of taxation would be increased-----	
	2, 259, 551
Special taxes retail liquor dealers, fiscal year 1887-----	4, 587, 268
Special taxes retail dealers in malt liquors, fiscal year 1887-----	177, 148
Special taxes manufacturers of stills and stills manufactured, fiscal year 1887-----	3, 721
Add for assessed penalties-----	41, 758
Add for interest clause in section 10, say-----	5, 000
	24, 455, 607

JOSEPH S. MILLER,
Commissioner.

VIEWS OF THE MINORITY, SUBMITTED BY MR. McKINLEY.

Mr. McKINLEY presents the views of the minority as follows:

The extraordinary manner in which this bill came to the committee and the total lack of consideration given to so grave a measure by those charged with its investigation demand notice and comment. It was fashioned outside of the committee and reached it not by the reference of the House, which is the usual channel through which committees obtain jurisdiction of a subject. It was presented ready-made by the chairman of the committee, was framed, completed, and printed without the knowledge of the minority and without consideration or discussion in the full committee.

If any consultations were held the minority were excluded. Thus originating, after three months of the session had gone it was submitted to the committee. Since there has been no consideration of it. Every effort upon the part of the minority to obtain from the majority the facts and information upon which they constructed the bill proved unavailing; a resolution to refer the bill to the Secretary of the Treasury for a statement of its probable effects upon the revenue, together with a statistical abstract, which would facilitate its consideration by the committee and the House, was voted down by a strict party vote.

The industries of the country, located in every section of the Union, representing vast interests closely related to the prosperity of the country, touching practically every home and fireside in the land, and which were to be affected by the bill, were denied a hearing, and the majority shut the doors of the committee against all examinations of producers, consumers, and experts, whose testimony might have en-

lightened the committee. The farmers, whose investments and products were to be disastrously dealt with, were denied an opportunity to address the committee.

The workmen of the country, whose wages were at stake, were denied audience. The Representatives on the floor of the House were not permitted to voice the wants of their constituents. Proposing a grave measure which would affect all of the people in their employments, their labor, and their incomes, the majority persistently refused the people the right of hearing and discussion; denied them the simple privilege of presenting reasons and arguments against their proposed action.

But as the bill is avowedly a political one, believed to represent, so far as it goes, the views of the President and his party associates, a bill which, with the President's free trade message, is to constitute the issue and be the platform of the party, these may account for, but will not justify, this extraordinary course of procedure. The minority protested without avail in the committee, and now announcing it to the House, as they feel constrained to do, accept the issue tendered by the bill, accompanied with some of their reasons for opposing it, and make their appeal from the people's servants to the people themselves.

The bill is a radical reversal of the tariff policy of the country which for the most part has prevailed since the foundation of the Government, and under which we have made industrial and agricultural progress without a parallel in the world's history. If enacted into law it will disturb every branch of business, retard manufacturing and agricultural prosperity, and seriously impair our industrial independence. It undertakes to revise our entire revenue system; substantially all of the tariff schedules are affected; both classification and rates are changed. Specific duties are in many cases changed to ad valorem, which all experience has shown is productive of frauds and undervaluations. It does not correct the irregularities of the present tariff, it only aggravates them. It introduces uncertainties in interpretation, which will embarrass its administration, promote contention and litigation, and give to the customs officers a latitude of construction, which will produce endless controversy and confusion. It is marked with a sectionalism which every patriotic citizen must deplore.

Its construction takes no account of the element of labor which enters into production, and, in a number of instances, makes the finished or advanced product free, or dutiable at a less rate than the materials from which it is made. "The poor man's blanket," which the majority has made a burning issue for so many years, is made to bear the same rate of duty as the rich man's.

More than one-third of the free list is made up from the products of the farm, the forest, and the mine. From products which are now dutiable at the minimum rates, ranging from 7 to 25 per cent, and even this slight protection, so essential, is to be taken from the farmers, the lumbermen, and the quarrymen.

True, there are some exceptions; cleaned rice, now paying a duty of 112 per cent ad valorem, is carefully kept from the free list, and uncleaned rice is given increased duty and protection. This is done by introducing a new definition of uncleaned rice. It changes the long accepted commercial definition, and excludes any rice which has the outer skin or cuticle loosened, and makes all such dutiable as

cleaned rice. By this simple definition clause all this class of rice, which heretofore has been admitted at a less rate of duty, is carried to the cleaned rice, which bears a higher rate. The duty on cleaned rice proposed by the bill is 2 cents a pound, and uncleaned $1\frac{1}{4}$ cents. The bill increases the duty upon what has heretofore been admitted as uncleaned rice 75 cents per hundred pounds. This is a case of an agricultural product upon which duties have not been diminished, but advanced. There were 4,000,000 pounds of it imported in the year ending June 30, 1887, and from June 30, 1887, to December 31, 1887, 6,723,475 pounds, all of which becomes dutiable at the advanced rate of 2 cents per pound, and if the importations are maintained revenue from this source will be materially increased.

The following are among the agricultural products put on the free list by the bill:

All wools.	Beans and pease.	Vegetables (fresh).
Linseed.	Milk (fresh).	Barks, beans, etc.
Garden seed.	Meats, game, and poultry.	Hemp.
Rape and other oil seed.	Figs.	Beeswax.
Hemp seed.	Plums and prunes.	Flax.
Bulbs and roots.	Dates.	Manila.
Split pease.	Currants, zante.	Other vegetable substances.

The American farmer will appreciate the vicious character of the bill as applied to him, when he is apprised of the fact that while the products of his land and labor are shut out from Canada by a protective tariff imposed by the Canadian government, the Canadian farmer can send many of his products here without the payment of duty under the proposed bill.

Canada now collects duties upon a number of American products which by our tariff laws admit Canadian products of like kind free of duty. This she has been doing for many years, although by her tariff of 1878, chapter 33, section 9, it is provided:

That any or all of the following things, that is to say, animals of all kinds, green fruit, hay, bran, seeds of all kinds, vegetables, including potatoes or other roots, plants, trees and shrubs, coal and coke, salt, hops, wheat, peas and beans, barley, rye, oats, Indian corn, buckwheat and all other grain, flour of wheat and flour of rye, Indian meal and oatmeal and flour, or meal of any other kind, butter, cheese, fish, salt or smoked; lard, tallow, meats either salted or smoked, and lumber, may be imported into Canada free of duty, or at a less rate of duty than is provided by this act by proclamation of the governor-general in council, which may issue whenever it appears to his satisfaction that similar articles from Canada may be imported into the United States free of duty, or at a rate of duty not exceeding that payable on the same under such proclamation when imported into Canada.

Some of the articles above named are already on our free list, and yet they are dutiable under Canadian laws, and no proclamation of reciprocity has yet been made by the governor-general; and it is proposed under this bill to increase the free list with farm products, upon which a high tariff is now levied by the Canadian law.

How long will the rate of agricultural wages be continued in the United States under such legislation? What sort of reciprocity is this? This will be a direct benefit to the Canadian farmer and a most serious blow to the American. The whole bill has that tendency, and seems to be subject to the criticism that it was framed to benefit other countries rather than our own.

WOOL.

Nowhere in the bill is the ultimate purpose of its authors more manifest than its treatment of wool. It places this product upon the free list, and exposes our flocks and fleeces to merciless competition from abroad. In this respect the bill is but the echo of the President's message, and gives emphasis to the settled purpose of the majority to break down one of the most valuable industries of the country. It is public proclamation that the American policy of protection, so long adhered to, and under which has been secured unprecedented prosperity in every department of human effort, is to be abandoned.

Why have the majority put wool on the free list? Let them make their own answer. We quote from the report:

We say to the manufacturer we have put wool on the free list to enable him to obtain foreign wools cheaper, make his goods cheaper, and send them into foreign markets, and successfully compete with the foreign manufacturer.

First, the purpose is to bring down the price of wool. If this should be the result, we inquire at whose expense and loss? It must be at the expense of the American grower, and to his loss, who, at present prices and with the present duty, is being forced out of the business by ruinous foreign competition? The injury, by the confession of the majority, will fall upon the American woolgrower. He is to be the first victim. He can find no profitable foreign market, if he is unable to hold his own, and it is absurd to talk about enlarging the market for his product at home with the wool of the world crowding our shores unchecked by custom-house duties.

There were 114,000,000 pounds of wool imported into this country the last fiscal year, and our domestic product, as a result, even with a duty of 10 cents a pound on the higher grades, was diminished to 5,000,000 pounds. The bill will greatly increase importations of the foreign product and diminish if not wholly destroy our own production. Every nation ought, if possible, to produce its clothing as well as its food. This nation can do both, if the majority will let it alone. It should be borne in mind that our wool producers can not compete with countries where no winter feeding and but little summer attention is required and where labor is so cheap, unless their industry has just and adequate protection. Is labor in manufacturing more deserving of the considerate concern of Congress than labor engaged in the field of agriculture? Both are useful and equally honorable, and alike merit the thoughtful consideration of those charged with making laws.

The majority report asserts that we must produce our woollen goods at lower cost and be able to undersell the foreign product. And after this how is the lower cost to be secured? First by fleecing the woolgrower, and the next by reducing the labor cost in the manufacture. How are we to undersell the foreign product? By making the manufacturing cost of our goods less than theirs. In other words, by cutting down the wages of our skilled and unskilled labor, not to the foreign standard simply, but below it, for the product must cost us less if we undersell our competitors. The American farmer will not quietly

submit to this injustice. The American workingman will indignantly repel this effort to degrade his labor.

The majority gravely inquire in their report: "If Congress grants the request of the woolgrowers, what are the people to do for woollen clothing?" We beg to suggest that the people of this country wore woollen clothing during the existence of the tariff of 1867, and the tariff proposed by the wool conference is substantially that tariff, and the people were never better clothed, and never better able to buy them. It would be instructive to the majority to compare the prices of woollen clothing in this country during the period from 1847 to 1860 under the low tariff then prevailing, with the prices now prevailing, and they would be profited also by a comparison of the price of wages then prevailing with those now maintained. Their investigations would disclose the wretched condition of labor in the former period, the starving prices then received, and the inability of thousands of worthy workmen to get work at any price. Clothes at any price were then the dearest. If the laboring men could have been heard by the committee, they would have told a story of misery during the free-trade era which might have deterred the majority even from inaugurating the policy now proposed.

Again, the majority inquire, Are the people to be compelled by Congress to wear cotton goods in the winter, or go without, to give bounties to woolgrowers and wool manufacturers? While this question is too trifling for serious reply, we assure the majority that the only danger of such a happening is from the bill they now report—a bill which is to deprive our people of employment, and the opportunity to earn money with which to feed and clothe themselves and their families and educate their children.

The foreign market to which the American producer is invited by the majority report is delusory. Our own market is the best. There is no market anywhere comparable with it. Let us first of all possess it; it is ours, and we should enjoy it. Practically all the nations of the world, except England and the countries she has subjugated, have protective tariffs which they are maintaining, while the majority in the House is seeking to overthrow ours, under the delusion of a foreign market. They gravely invite us to leave our natural markets—the best in the world—and go in search of others less inviting. The Commercial Bulletin of Boston, January 14, 1888, stated the true situation:

In brief, with the removal of all duties on wool, * * * we should not gain a cent's worth of foreign trade, for the other woollen-using countries, France, England, and Germany, could still undersell us in foreign markets with the help of their cheap labor. We should lose the fine-wool industry, which would be transferred to South America and Australia, and we should also lose cheap mutton.

It is more than idle to talk about a foreign market for wool and woollen products while we are buying of other countries and importing annually \$40,000,000 worth of worsted and woollen goods. We should make these goods here, and if we did there would be a steady demand for our domestic wool at remunerative prices, our labor would be profitably employed, and the woollen factories would be running at their highest capacity, with reasonable rewards for their investments.

Mr. James Phillips, jr., of Massachusetts, a large woolen manufacturer, who is strongly opposed to free wool, speaking of the foreign market, says, and we commend his words:

The world's market is a great free-trade shadow dance. The more people think and know of this question the less attractive the world's markets become, and the more substantial our home market grows. My advice would be that the United States look carefully after the home pasture by tightening the fence, if necessary, before we go wandering around to find a spot where we can sell our goods in competition with the labor of Europe.

Wool on the "free list" is a deadly assault upon a great agricultural interest, and will fall with terrible severity upon a million people, their households, and dependencies. It will destroy invested capital, unsettle established values, wrest from the flockmasters their life-time earnings, bankrupt thousands of our best and most industrious farmers, and drive them into other branches of agriculture already overcrowded. It is a vicious and indefensible blow at the entire agricultural interests of the country.

WOOLEN GOODS AND MANUFACTURES OF WOOL.

Under the bill, wool being free and a duty of 40 per cent placed on woolen cloth and "all manufactures of wool," we beg to inquire how combed and carded wool are to be classified? If they are held to be "manufactures of wool," then the duty of 40 per cent would be assessed and collected and they would pay the same duty as if manufactured into cloth. If they are to be classified as wool, the effect would be to stop the sorting, scouring, and combing of wool almost entirely in the United States, unless the domestic wools could be bought at a price low enough to cover the cost of the labor required for placing wool in the advanced form.

Admitting combed and carded wool as wool free of duty would render the combing, scouring, and carding machinery in this country, to a great extent, idle and worthless. There will be no use for it if this work could be done more cheaply on the other side. Surely the duty ought to be sufficiently high to cover the cost of the labor, and unless it is foreigners will be given control of the wool market, not only in its raw state, but when carded, combed, and washed.

Again, ready-made clothing and cloakings are made subject to a duty of 45 per cent ad valorem. Clothing and cloakings are composed, first, of cloth, and second, of the lining, braid, buttons, and sewing silk, which are called "trimmings." In the better grades of these manufactures silk is used entirely as a lining, and is growing in general use. We are informed that where silk is used these trimmings in a man's coat and vest nearly equal one-half of the cost of the material used in such garments. Now, then, if the cloth pays a duty of 40 per cent and the trimmings a duty of 50 per cent, as provided by the bill, then the average would be 45 per cent. Now, 45 per cent is the duty placed by the bill on ready-made clothing, so that the cloth and the trimmings when made into a coat and vest pay the same duty as the materials. The clothier, the tailor, the sewing woman have no protection for their labor. If the bill was enacted into law, the whole ready-made clothing business of the country would be transferred to our European rivals. Then what market would we

FLAX AND HEMP.

The raising of flax and hemp for fiber in the United States is on the increase. To place these fibers on the free list would retard the progress now being made and seriously injure the grower, injuring as well the manufacturers of these fibers, who do not wish to be dependent on foreign nations for their supply of raw material.

The manufacture of linen threads, linen and hemp yarns, and twines is an important industry; and although the imports are still large, the home manufacturing is increasing slowly. The weaving of linens is on the increase, although not now sufficiently protected; to reduce the duty would be to destroy the industry.

The manufacturers of flax and hemp employ over 6,000 workers and have over \$8,000,000 invested. This in addition to the army of laborers engaged in the agricultural districts where the fiber is raised.

The manufacturing of jute requires substantial protection, unless we are to transfer this branch of our business to Calcutta and Dundee. The entire schedule of "Flax, hemp, jute, and manufactures of," has not now the average protection afforded other textiles or other important industries. It is of national importance that we have our own supply of fiber, not depending on foreign nations for either the fiber or its products.

The placing of flax hackled, known as "dressed line," on the free list would class a partially manufactured article in the list of raw materials.

Protests against the proposed reduction in this schedule have been received from Iowa, Wisconsin, Indiana, Kentucky, Kansas, Illinois, New York, and Dakota, but they have been unheeded by the majority of the committee.

The grave injustice which a majority of the committee have done the laborers employed in industries producing crude articles by placing them on the free list, on the claim that they are "raw materials," is apparent. Take lime, for example, which the majority propose to admit from Canada free of duty. Lime, as is well known, is manufactured in many parts of the United States to the extent of all the wants of our citizens, and the industry gives employment to many thousands of our workingmen. Its value is made up mainly of labor, and this labor receives about \$2 per day in this country, and less than \$1.25 in Canada. With this difference in the wages paid the labor employed in this industry in the United States and the Dominion of Canada, it ought to be obvious to anyone that if Congress should allow Canadian lime manufacturers to send their lime into our markets free of duty, it would inevitably result either in destroying the valuable lime-manufacturing industry in the United States, or in compelling the laborers employed in it to accept Canadian wages.

BORAX.

Placing borax on the free list will destroy an important industry on the Pacific coast. It was greatly stimulated by the increased tariff given it by the law of 1883, since which the production has increased from 5,600,000 pounds in 1883 to 10,182,000 pounds in 1887, and during that period the prices have ruled lower in the United States than at any other period of production. In 1873 the price

was 33 cents. It is now 6½ cents; all due to American production under the encouragement of a protective tariff. This is to be withdrawn and our markets again placed in the control of the foreigner.

The bill will be disastrous in its effects upon the chemical industry, an industry which employs from 35,000 to 40,000 people, and with an invested capital of not less than \$140,000,000. The president of the 'Manufacturing Chemists' Association of the United States informs us, under date of March 31, 1888, that the free list and the reduced rates of duty fixed, applicable to the chemical schedule, will greatly injure, if not be fatal, to the continuance of their manufacture in the United States.

EARTHENWARE.

Earthenware will be seriously injured by the provisions of this bill. The duty was increased on this ware by the tariff law of 1883, and was justified by the condition of the industry and the pressing interests of American labor, notwithstanding which the foreign manufacturers supply fully one-half of the American demand. The prediction was made at the time of the increase that, as a result, the American ware would be improved in quality and reduced in price, which prediction has been fully verified. This industry has sprung up since 1860, and no more striking illustration of the benefit of protection can be found. It has grown to be one of the most valuable of our manufacturing interests; the capital invested has increased to \$8,000,000, and the hands employed number upward of 10,000; the price of good ware has been brought within the reach of the humblest household; our home competition has reduced the price of ware fully 50 per cent, and a taste for ceramic art has been cultivated, developing a new field of employment for both men and women. The wages paid in our potteries are 125 per cent in advance of those paid for like labor abroad. There is no public sentiment calling for the proposed action of the committee. There is not a consumer complaining, and every workingman engaged in these industries has protested against the reduction because of its inevitable effect upon his wages. The only effect of the bill will be to displace American by the foreign ware, increase the profits of our English and German rivals, impoverish the manufacturers, and bring distress to the labor which they employ.

GLASS.

The duty on cylinder window glass unpolished was subjected to a very considerable reduction by the tariff law of 1883. The bill proposes a still further reduction, which must result in great hardship to the workmen employed and great loss to the men whose capital is invested. Since the reduction of the tariff of 1883 the imports have steadily increased. The quantity of this kind of foreign glass imported in the fiscal year ending June 30, 1887, is greater than during any like period of our history. In the four years since the act of 1883 went into operation the increased quantity of imports is over 33 per cent, while the revenue thereunder is greater than in the four years prior to the act of 1883 by \$1,250,000. These excessive importations have forced American furnaces to remain idle for one-

fourth of the original length of the blast, and many men thereby deprived of their means of livelihood.

The capacity of the American furnace is sufficient for the American consumption, and with proper protection would be able to supply it fully at prices reasonable and just to the consumers and furnish steady employment to labor, keeping at home vast sums of money now sent abroad for foreign glass. The proposed reduction will cripple, if not sacrifice, our home factories, will increase importation diminish home production, and lessen the demand for home labor. If our factories are to survive under the proposed bill, labor will have to be reduced, we are informed, not less than 50 per cent. Already one-fourth of the window glass now used in this country is of foreign make.

The wages in the glass factories of Europe are exceedingly low. Mr. James Campbell, president of the Window Glass Workers' Association of America, says:

Two years ago, while passing through Belgium on a tour of observation in the interest of the Window Glass Workers' Association, I saw women wheeling in coal and carrying in glass in the sheet. Their wages ranged from \$2 to \$3 per week, while here in America this class of work is performed by men whose wages range from \$9 to \$12 per week; and about the same ratio of difference prevails in all skilled branches of industry between the prices paid in Europe and America. I feel, in view of this fact, that with a reduction of 35 per cent, as proposed by the Mills bill, the difference will have to be met by a large reduction in the matter of wages by the workmen in the window-glass industry of this country. If the Mills bill should become a law, with the low wages in Europe and the cheapness of ocean freights between Europe and America, there will be no other alternative for the American workman but to accept a reduction in wages or surrender this market to the goods imported from abroad.

Mr. F. S. Tomlin, president of the Glass Workers' League of the United States, speaking of the proposed reduction of duty upon glass bottles, says:

If the Mills bill becomes a law we might as well give up the struggle and go to Germany. In Germany, where the bulk of the imported ware comes from, the workmen work eleven hours a day and seven days a week and earn from \$6 to \$7 per week. So far from the tariff being lowered, it should be raised to 1½ cents per pound, in order to enable us to maintain present wages and prevent increased importation.

PLATE GLASS.

A large reduction of duty is proposed upon plate glass. During the fiscal year ending June 30, 1887, there was imported into the United States a total of 4,074,178 pounds of plate glass, being the largest importation of such glass ever made in a single year. The reduction of 20 per cent proposed, we are assured by both manufacturers and workmen, will completely paralyze the industry here and open up this market to the foreign factories.

Prior to the establishment of plate-glass factories in this country the trade was controlled entirely by the foreign producers, in combination with a number of importers here, who maintained a monopoly in plate glass, enriching themselves from the profits received from American buyers. This monopoly or combination forced the American consumer to pay from \$2 to \$2.50 per foot for such glass. Since our factories have been in successful operation, under the fostering care of a protective tariff, the price has been forced down to \$1 per

foot, on an average, a clear saving to Americans of more than one-half. It must not be forgotten that the principal element of cost in this product is labor.

It is labor that mines, loads, transports, unloads, and uses the coal, the sand, the limestone, and fire clay used in making plate glass. It is labor that manufactures the felt, the arsenic, the emery, the copperas, and the soda which enter into the composition of plate glass. And it is labor that fires the furnaces, that tends the machinery, and finally prepares and forwards the product, and not until such labor in its various stages is paid for on the basis of European labor can the American manufacturer expect to make glass at a corresponding cost.

It is inevitable that the proposed reduction means either the closing of our factories or a relative and corresponding reduction in wages. A statement is herein given showing the amount paid per month to workmen in plate-glass manufactories in France, Germany, Belgium, England, and the United States, and will indicate the character of competition to which American labor will be exposed by the passage of this bill.

Statement showing the amount paid per month to workmen in plate-glass manufactories.

Department.	France, Germany, and Belgium.	England.	United States.
Casting department:			
Founders.....	\$45.00	\$50.00	\$100.00
Skimmers and teamers.....	30.00	39.20	80.00
Casters.....	18.00	27.00	40.00
Kiln firers.....	19.00	27.00	45.00
Producer firers.....	22.00	28.00	50.00
Grinding department:			
No. 1 grade.....	27.00	33.80	75.00
No. 2 grade.....	20.00	29.20	65.00
No. 3 grade.....	16.00	23.60	50.00
Boys.....	4.00	5.10	25.00
Smoothing department:			
No. 1 grade.....	27.00	33.80	70.00
No. 2 grade.....	20.00	29.20	60.00
No. 3 grade.....	10.00	23.60	50.00
Boys.....	4.00	6.80	18.00
Polishing department:			
No. 1 grade.....	32.00	39.20	80.00
No. 2 grade.....	25.00	31.40	60.00
Boys.....	4.00	10.80	25.00
Cutting room:			
Chief.....	26.00	39.20	100.00
Assistants.....	24.00	33.80	75.00
Blockers.....	14.00	23.60	32.00
Packers.....	13.00	27.00	60.00
Emery washer.....	24.00	45.00	80.00
Croesus burner.....	24.00	33.80	75.00
Laborers.....	11.00	19.60	30.00
Bricklayers.....	39.00	39.60	100.00
Carpenters.....	37.00	39.60	65.00

METAL SCHEDULE.

Tin plates are placed on the free list, although this country can make this essential article as easily as Great Britain, from which our supply is almost entirely obtained. Tin plates are composed of 95 to 97½ per cent of iron or steel and 2½ to 5 per cent of tin. This country has every facility for producing the sheets of iron or steel for tin plates, and it can buy from other countries the tin with which these sheets are coated. It is a mistaken belief that Great Britain obtains her supply of tin principally from Cornwall, in England. That

country imports from other countries the larger part of her supply of tin, and this country now buys tin from the same countries, but not for use in the manufacture of tin plates, the present duty of 1 cent per pound being too low to enable us to compete with the tin-plate manufacturers of Great Britain. The world's supplies of tin are derived principally from Banca and Billiton, two Dutch islands in the Straits of Malacca, from Australia, and from Cornwall, in England.

In the five years ended May 31, 1885, the Straits and Australia supplied 156,832 tons of tin, and in the five years ended December 31, 1883, Cornwall supplied 45,672 tons. Since 1883 the imports of tin from the Straits into Great Britain have greatly increased, while the supply from Cornwall has only slightly increased, if at all. In the fiscal year ended June 30, 1887, this country imported tin plates valued abroad at \$16,883,813. The bill of the majority not only proposes to continue this large importation annually, but makes public proclamation that this country does not want a tin-plate industry. If the majority had considered the interests of our own country, and not those of Great Britain, they would have recommended an increase in the existing duty on tin plates, so that our people would have been encouraged to engage in their manufacture and to develop the recently discovered tin mines of Dakota.

Free tin plate (or iron or steel sheets, or plates, or taggers' iron, coated with tin or lead, or with a mixture of which these metals is a component part, etc.) means no less than the annihilation of the manufacturing of the finer grades of sheet iron in this country, and upon which is expended the greatest amount of skilled and best paid labor. The galvanized sheet-iron industry is especially threatened, and this is a great and growing manufacture, involving heavily invested capital in many States East and West. Free tin plates do not necessarily insure cheaper prices to the farmer or general consumer, but the duty taken off will be gladly absorbed by the foreign manufacturer, and this condition can be fully appreciated when the public will note that "free pig tin" has not insured against a most unheard-of heavy advance in price of this article in the hands of a foreign "combine," say from about 20 cents per pound to as much as 38 cents per pound, within the last several months, and is now quoted on different futures as varying from 34 to 37 cents per pound, or being 75 or 80 per cent advance, and this article so completely controlled by the French syndicate that the boast of the trust (as it may be called) is that this great advance can be maintained at its will.

This condition fixes also the advanced prices on all the good solder which so largely enters into the working of tin plate in the farmers' cans, etc., and for which the "tariff taxation" (so called) is not chargeable.

And here let attention be called to the fact that good (well coated with tin) tin plates have of late advanced very considerably to consumers, and for which advance the control by the foreign trust is wholly responsible; and it is further and well understood in well-informed and reasoning mercantile and manufacturing circles that tin plates would lately have advanced more largely without regard for the American manufacturers, or consumers, or packers, or farmers' interests, except that the foreign syndicate has supplied the tin-plate manufacturers of England at much less price than to the outside world for the time being, so that "tin plates" need not just now

be advanced to a point which might threaten and retard the effort to place such plates upon the free list, proposed by this bill.

The sheet-iron and sheet-steel industry are placed in great peril by this bill.

Cotton ties fare as badly as tin plates; they also are transferred to the free list. We now make cotton ties in this country in small quantities, and would make them in larger quantities if the duty on foreign cotton ties were higher than it now is. In the expansion of the cotton-tie industry in our own country the South ought to largely share, for it possesses all the raw materials of their manufacture, and the market for their sale and use is at its own door. But the bill of the majority announces that the manufacture of cotton ties is not to be tolerated in the North or established in the South, and that such machinery as we now possess for the manufacture of cotton ties is to be thrown upon the scrap pile. British manufacturers are invited to make all our cotton ties, and of course they will then charge us what they please for them.

Why this article, used for baling cotton, should be admitted free of duty, and when used for any other purpose dutiable at $1\frac{1}{4}$ cents a pound, is not manifest upon any principle of fair play or economic science. There may be some reason known to the majority which they have failed to disclose to the minority; we know of no reason why cotton should enjoy this extraordinary and exceptional legislative favor.

Iron and steel beams and other structural iron and steel are forms of these metals which are largely used in the erection of public and private buildings, and in the construction of bridges, ships, etc. These forms are more expensive, because requiring more labor, than ordinary bar iron. Yet the bill of the majority recklessly subjects these more costly forms to lower duties than it imposes on ordinary bars of iron. The very low rates provided in the bill for beams and other structural forms of iron and steel will give great encouragement to the beam manufacturers of Belgium, which country now ships these products to the United States in considerable quantities.

STEEL RAILS.

If the majority desire to insure the handing over of our steel-rail market to our English rivals, the proposed duty of \$11 will accomplish this purpose, unless the workmen who are employed in producing the raw materials and finished products of our steel-rail works are willing to accept still lower wages than they are now receiving, and the railroad companies which transport the raw materials are willing to greatly reduce their freight rates. Have the majority any assurance that the workmen and the railroad companies are willing to accept these conditions? Neither were heard before the committee.

The supply of steel rails to the Pacific coast is now in the hands of foreigners, because of the cheap transportation by water from foreign ports, the existing duty of \$17 not being sufficient to enable our manufacturers to compete for that trade. In the New York Iron Age for March 8, 1888, it is stated that the Atchison, Topeka and Santa Fé Railroad Company had lately purchased 10,000 tons of foreign rails to be delivered at San Diego, Cal., and it is also men-

tioned that another lot of 2,500 tons of foreign rails had recently been sold by foreign makers for a Pacific coast railroad.

In proposing to seriously cripple, if not to destroy, the manufacture of steel rails in this country the majority probably do not realize the full significance of the results which they invite. It should be remembered that our manufacturers of steel rails consume almost one-half of all the iron ore, and almost one-half of all the pig iron that the country produces. If this great market for American iron ores and pig iron is to be destroyed the country need not be told of the distress which will come to labor, and the bankruptcy which will come to producers.

A flagrant defect of the bill of the majority is its preference for ad valorem over specific duties, although the testimony of almost every Secretary of the Treasury since the foundation of the Government has been recorded against the frauds upon the Treasury which ad valorem duties invite and foster. Hon. Daniel Manning, the first Secretary of the Treasury under the present Executive, stated, in a circular letter issued July 17, 1885, that "investigations of the methods of entry and appraisement of imported merchandise have shown that the tariff laws are largely evaded by undervaluation wherever the duties are levied ad valorem." In a subsequent special report on the revision of the tariff, dated February 16, 1886, the same official elaborately presented the objections of many of his distinguished predecessors against ad valorem duties, upon the ground that they encouraged fraudulent entries of imported goods. In closing his report the Secretary said:

One hears it often said that if our ad valorem rates did not exceed 25 or 30 per cent, undervaluation and temptation to undervaluation would disappear, but the records of this department for the years 1817, 1840, and 1857 do not uphold that conclusion. Of course I am very far from advocating the universal application of specific rates, but I do believe it to be possible for the more experienced and conscientious of our appraising or examining officers in different parts of the country, and for the experts in this department, to prepare a plan for the prudent enlargement of specific rates which will greatly promote the welfare of the Government of the country.

Notwithstanding this deliberately expressed opinion by one of the most painstaking of our Secretaries of the Treasury, the bill of the majority continues many of the objectionable ad valorem rates of the present tariff and introduces others. Here, again, we detect a manifest purpose to favor foreign manufacturers at the expense of our own people, for if ad valorem duties have so operated in the past as to encourage fraudulent importations of foreign goods they may be expected to do so again. The majority must have known, for instance, that on steel-wire rods entered at ad valorem rates the invoices have been systematically undervalued during the past two years, so much so that the importations of steel in this form have in the period mentioned been enormous and entirely unprecedented. In the fiscal years 1886 and 1887 the imports of steel-wire rods under ad valorem rates amounted to 200,728 tons.

As this country possesses ample facilities for the manufacture of steel-wire rods, there must have been some special cause for the larger part of the heavy importations of the two years mentioned, and this cause is found in undervaluations. Instead of proposing to prevent the evil of undervaluations in the future by substituting specific duties, the majority recognize and condone it by recommending a

continuance of the ad valorem system which has made it possible. In this matter the majority not only favor foreigners at the expense of our own people, but they strike a serious blow at an honest administration of our customs laws.

Other features of the metal schedule of the bill of the majority are just as objectionable as those we have mentioned. Many of them would increase importations, and thus increase the surplus. The importations of iron and steel have been so large in the last two years, amounting to nearly 1,800,000 tons in the calendar year 1887, the foreign value of which was nearly \$50,000,000, that further encouragement to foreign iron and steel manufacturers to ship their products into our markets, as provided in the bill of the majority, is a matter of such serious moment that the attention of the country needs to be specially directed to it, and to the sweeping destruction which would be sure to follow in its path.

We have not felt called upon to present all the questions involved in this bill. If we did, volumes would be required, not pages. It would be an account of the whole business of the country. Lumber is put upon the free list, although the duty is only 18 per cent, or rather, to be more exact, sawed lumber is so placed. Planed lumber is still dutiable. What great principle relegates labor used in sawing to the limbo of free trade and places the panoply of protection over labor used in planing is known only to the majority, and they have made no disclosures. The lumber belt extends across the whole continent, exposed to Chinese labor competition in British Columbia and to Canadian labor competition all along the line. The addition of salt to the free list is but another blow at the lumber interest, for the manufacture of salt in many places is but an adjunct to the lumber manufacture, utilizing waste products and cheapening both.

THE SURPLUS.

If it be the purpose of the majority to reduce the income of the Government from customs sources, we beg to remind them that that purpose will not be accomplished by the scaling down of duties, as proposed in the bill. It is well known and supported by almost universal experience that a mere diminution of duties tends to stimulate foreign importations and thereby increase the revenue. This is shown by the reports of importations since 1883 of those articles upon which reductions were made by the law of that year. For example: The duty on window glass by the tariff of 1883 was reduced 25 per cent, and the importations increased from 50,947,890 pounds under the old law to 61,627,948 pounds in 1887 under the new law, and produced to the Treasury an increased revenue in the latter year over the former of upwards of \$200,000.

The duty on braid, plaits, laces, and trimmings were reduced by the act of 1883 from 30 to 20 per cent ad valorem, and the sum paid in duties in 1887 was \$114,482.76 more than in 1883. The reduction on tin plate under the act of 1883 was one-tenth of a cent per pound, while the duty collected in 1887 was \$715,468.57 greater than in 1883. Bronze in powder was reduced by the law of 1883 from 20 to 15 per cent, yet the sum received by the Government for duty in 1887 was \$14,000 more than was received from the same source in 1883. The duty on writing paper was reduced from 35 per cent to 25 per cent ad

valorem. The receipts in 1883 under the higher duty was \$19,406.87, under the reduced duty in 1887 the receipts were \$242,216.27, showing an excess of duties of \$222,000 in 1887 over 1883. The duty on wool was reduced by the act of 1883, and the increase of importations and revenue is probably the most striking of any in the schedule. The importations in 1882 were 63,016,769 pounds; in 1887, 114,404,174. The duty collected in 1882 was \$3,854,653.18; that in 1887, \$5,899,816.63.

These illustrations clearly demonstrate that a simple scaling down of duties from 20 to 30 or 40 per cent, more or less, will only increase revenues and therefore augment the surplus.

If "the absolute peril" to the business of the country described by the President in his message last December as resulting from an existing and increasing surplus was imminent and well founded, how easily he could have averted it by the purchase of outstanding bonds with the surplus money in the Treasury, a power which he possessed clear and undoubted under the act of March 3, 1881, which is as follows:

That the Secretary of the Treasury may, at any time, apply the surplus money in the Treasury not otherwise appropriated, or so much thereof as may be considered proper, to the purchase or redemption of United States bonds.

To have thus used the surplus would have been direct and business-like; just what a prudent business man would have done with his idle money—called in his creditors and applied it to his debts. The President failed to do this, and when Congress assembled "the condition" confronted it. If the House had even then appreciated the situation, how promptly and easily it could have, in part, at least, relieved it. It could have been done in the first week of December by abolishing the entire tobacco tax, amounting to \$30,000,000 annually, and thereby removing a great burden from the agricultural producers of the country, by releasing also from taxation alcohol used in the arts and manufactures, which it is estimated would amount to six millions more.

This simple proposition would have received a practically unanimous vote in the House and the approval of the country and have stopped the collection of \$3,000,000 a month, and if it had been promptly done there would now be \$12,000,000 less of surplus in the Treasury, and we venture to predict that the reduction that could have been thus secured was greater than the reduction which will be accomplished by this bill. The majority failed to seize the opportunity. It seems impossible for the party of the majority in the House to pass a revenue bill and reduce taxation; this has been its almost unvarying experience while in control of the House.

WHAT REDUCTIONS HAVE TAKEN PLACE.

It is a striking fact that all of the reductions of taxation which have occurred since the conclusion of the war, with the exception of the trifling ones made by the acts of March 1, 1879, and of May 28, 1880, aggregating a little over \$6,000,000, were accomplished while the party now in the minority was in the majority and in control of legislation.

A brief summary of what has been done in this regard will be both suggestive and instructive.

By the act of July 14, 1870, the reduction of the revenue from customs duties was—

Free list.....	\$2, 403, 000
Estimated reduction from dutiable list.....	23, 651, 748
Total.....	26, 054, 748

By the act of May 1, 1872, tea and coffee were placed upon the free list, making a reduction of..... 15, 893, 847

By the act of June 6, 1872, tariff duties were further reduced, and the reduction by the—

Free list.....	\$3, 345, 724
Estimated reduction from the dutiable list.....	11, 933, 191
Total.....	15, 278, 915

By the act of March 3, 1883, from tariff—

Free list.....	\$1, 365, 999
Estimated reduction from dutiable list.....	19, 489, 800
Total.....	20, 855, 799

The foregoing estimates were made when the several bills were passed.

Of internal taxes the following have been the reduction made by the party now in the minority since the conclusion of the war:

By the acts of July 13, 1866, and March 2, 1867.....	\$103, 381, 199
By the acts of March 31, 1868, and February 3, 1868.....	54, 802, 578
By the act of July 14, 1870.....	55, 315, 321
By the act of December 21, 1871.....	14, 436, 862
By the act of June 6, 1872.....	15, 807, 618
By the act of March 3, 1883.....	40, 677, 682
Total.....	284, 421, 260

This we present as the result of Republican legislation from July 13, 1866, down to and including March 3, 1883.

The Republican party was in control of the House of Representatives from the first-named date to March 4, 1875. During that period it will be observed that taxation was reduced and revenue diminished in the aggregate sum of \$284,421,260. On the 4th of March, 1875, the control of the House passed to the Democratic party and remained with it until the 4th day of March, 1881, a period of six years. During these years the internal revenue was reduced \$6,368,935. On the 4th day of March, 1881, the Republican party was reinvested with control of the House of Representatives, holding it for two years, during which time it reduced taxation and the revenues from customs sources in the estimated sum, \$20,855,799, and upon internal revenue, \$40,677,682, a grand total of \$61,432,481.

Since the 4th day of March, 1883, the House of Representatives has been dominated by the present majority party, a period of five years, and no taxes have been reduced and no curtailment of the revenues has taken place, although warned of a threatened surplus not only

by the present administration but by the preceding one of President Arthur. It will be observed that from 1866 to 1888, a period of twenty-two years, the control of the House of Representatives has been equally divided between the two political parties, each having eleven years.

During the eleven years of Republican control the revenues were reduced (estimated) -----	\$362, 504, 569
During the eleven years of Democratic control the revenues were reduced -----	6, 368, 935
Difference in favor of the present minority party in the House of -----	356, 135, 634

If it be claimed that for the most part during the Democratic control of the House, the Senate was dominated by the Republican party, and, therefore, the responsibility of failure to reduce the revenues should be alike shared by them, we answer, that under the Constitution of the United States the House alone can originate bills to reduce taxation, the Senate having no jurisdiction of the subject until it is given to it by a bill which passes the House, and that during all these years no such bill has gone from the House to the Senate, and, therefore, the sole responsibility for failure rests with the present majority in the House of Representatives.

If disaster results from the failure of the President to use the surplus now in the Treasury, as the law authorizes him to use it, in payment of our existing debts, and if the majority in the House, which alone can originate a bill to reduce the revenue, fails to send to the Senate a bill of that character, the responsibility will rest with them. The minority are powerless; they are neither in control of the House nor the committees; they are in no parliamentary position to report a bill or give direction to legislation which shall surely accomplish results so much desired. They sought by amendments in the Committee on Ways and Means to make this bill reasonable, just, and practical; failing there, they will seek to amend and modify it in the Committee of the Whole House, and if their efforts there are unavailing, they will seek as a last resort an opportunity to offer a substitute, which will assuredly diminish the revenues without any impairment of the American system of protection.

It is therefore manifest that the responsibility for the present monetary condition which so alarms the country does not rest with the minority party in the House, but with the President and the majority in Congress. They can not escape it. The President has for three years failed, while having the power, to avoid the financial condition he now complains of. The majority in the House for six years has signally failed to provide for a reduction of the revenue. They can not avoid responsibility for the evils which are now upon us, and while these are beyond their power to retrieve, they can, by courage and wisdom, and governed by business principles, provide against like evils in the future. They must now act or make public confession of failure.

The minority regard this bill not as a revenue-reduction measure, but as a direct attempt to fasten upon this country the British policy of free foreign trade. So viewing it, their sense of obligation to the people, and especially the working people employed in manufacturing

and agriculture in all sections of our common country, impel them to resist it with all their power. They will assist the majority in every effort to reduce the redundant income of the Government in a direct and practicable way, but every effort at fiscal legislation which will destroy or enfeeble our industries, retard material development, or tend to reduce our labor to the standard of other countries will be met with the persistent and determined opposition of the minority represented in the House.

WM. D. KELLEY.

THOS. M. BROWNE.

T. B. REED.

WM. MCKINLEY, JR.

J. C. BURROWS.

THE ALDRICH REPORT, 1888.

[Senate Report No. 2332, and views of the minority, 50th Congress, 1st session.]

IN THE SENATE OF THE UNITED STATES.

OCTOBER 4, 1888.—Ordered to be printed.

Mr. ALDRICH, from the Committee on Finance, submitted the following report (to accompany bill H. R. 9051).

The Committee on Finance, to whom was referred the bill (H. R. 9051) to reduce taxation and simplify the laws in relation to the collection of the revenue, respectfully report:

The demand for a careful and thorough revision of our revenue laws is imperative. This revision is necessary:

1. To reduce the national revenues, which are now excessive.

No valid reason can be given why we should, under existing circumstances, continue to collect annually a sum approximating \$60,000,000 in excess of the amount required to administer the Government economically and to keep the pledges of public faith.

2. To protect honest importers and domestic producers from the disastrous consequences resulting from fraudulent undervaluations of imported merchandise, on which *ad valorem* rates of duty are levied.

The alarming extent of this dishonest practice, and its demoralizing and destructive effect upon public and private interests, and the necessity for prompt adoption of remedial legislation, have been repeatedly brought to the attention of Congress by successive Secretaries of the Treasury. The enormous increase from year to year, in the quantity of importations of manufactured and other articles of merchandise, which are subject to *ad valorem* duties, is largely attributable to this cause. Duties which are nominally protective to American industries, and which would be actually so if honestly collected, prove both delusive and destructive when, through defective laws and negligent or corrupt administration, but a fraction of the amounts lawfully due are levied and collected.

3. To remedy the defects, anomalies, and incongruities which have been from time to time discovered in the tariff schedules or which have been created by erroneous decisions of the Treasury Department.

The interpretation given to the seventh section of the act of March 3, 1883, by which the cost of coverings and charges of all kinds is excluded from consideration in the assessment of dutiable values has had the effect, without changing nominal rates, to reduce largely, but in an irregular and unequal manner, the amount of duties collected on imports.

4. To secure the proper readjustment and equalization of tariff rates, rendered necessary by modified business conditions, improvements in methods of production, radical changes in prices, or by new elements or sources of competition.

5. To give relief and protection to many industries which are now suffering on account of the inadequate rates levied on competing products.

The public demand for a reduction of revenue is more urgent on account of the inexcusable retention in the national Treasury, or on deposit in national banks, of vast sums of money in excess of the amount required to pay the current demands upon the Treasury and to meet the maturing obligations of the Government. This sum, with the additions which will accrue within the next four months, and before any legislative action reducing the revenues can be effective, will be sufficient to pay in full the outstanding $4\frac{1}{2}$ per cent bonds due in 1891, \$221,000,000.

The existence of this immense surplus furnishes occasion for constant anxiety and apprehension of possible financial disaster. The failure to prevent this dangerous accumulation, inciting, as it does, extravagant expenditures, and constituting an ever-present menace to the prosperity and enterprise of all our people, can not be too severely condemned; but it is a failure for which the executive department of the Government is alone responsible.

This accumulation could and should have been profitably avoided, and the possibility of business disaster averted, by a prompt return of the money collected from the people to the channels of trade through the purchase of United States bonds that could at all times have been obtained for prices which, to the Government, would have been equal to an investment, of otherwise unprofitable funds, at a rate of interest of not less than 2 per cent per annum.

It is probably true that the \$60,000,000 deposited in national banks can not now be withdrawn without peril to the business interests of the respective communities where the banks are located, and that this sum must remain, for an indefinite period, a permanent loan to favored institutions without interest. This unfortunate situation, however, must have been foreseen when the deposits were made, and it should not be aggravated by further deposits, nor should it furnish an excuse for the failure to promptly dispose of the much larger sum remaining in the Treasury in the manner indicated.

To amend the provisions of law which enforce the collection of excessive revenue, and to remedy the defects which we have enumerated, are within the scope of legislative relief, and Congress may properly be held responsible for any evils resulting from a continuance of existing conditions. It may, however, be fairly said that responsibility for delay in the adoption of legislative remedies rests upon the party in control of the House of Representatives, which by the Constitution has sole power to originate revenue bills. The participation of the Senate in any effort to cure existing evils by proper legislation has not been possible, from the fact that the bill under consideration is the first that has reached the Senate in more than five years giving them jurisdiction over the subject.

In view of the universal demand for relief from the unsatisfactory condition in which we find ourselves, the inaction of those whose anxiety for reform has been manifested by repeated declarations is remarkable. It would have been easy at any time when Congress has been in session since the 3d of March, 1885—and its sessions have covered at least twenty months of that period—to have secured the

concurrence of the two Houses upon a measure which would have reduced the revenue, and amended the administrative features of our customs laws in a satisfactory manner.

The refusal to adopt, or even to consider a measure of this kind, has been publicly declared by a leading Member of the House of Representatives (Hon. Samuel J. Randall) to have been "owing to the fact that a majority of the Committee on Ways and Means seem to have determined that unless their own peculiar views can be incorporated into law in regard to customs taxation, and the continuance of the internal-revenue system without reduction or modification, they will prevent any reform in this direction."

It has been the evident purpose of those who have controlled the policy of the party in power, to delay action, to magnify causes for uneasiness, and to multiply and intensify evils until the people of the country should imperatively demand relief, and then to assume that the evils and embarrassments from which we are suffering are the necessary incidents of the protective system, and that relief can only be found in the emasculation or destruction of that system.

The known attachment of the great mass of the wage-earners of the country to a system which has been productive to them of unexampled prosperity prevented the adoption of a policy of open attack, and made it necessary that some plausible reason should be found for the stealthy accomplishment of their destructive designs.

Your committee, after a thorough examination of the provisions of the bill (H. R. 9051) referred to them by the Senate, have become convinced of its inadequacy as a remedial measure in view of the condition which confronts us.

1. Its adoption would probably result in an increase, instead of a reduction, of the revenue from customs.

It is claimed by the friends of the bill that the reduction of revenue from this source would amount to \$49,486,240.75, but we are confident that the large reduction in rates proposed would result in greatly increased importations. When American producers supply a considerable portion of our market with articles in general use and the rates on these are reduced below the protective point, both importations and revenue must increase.

By the acts of July 14, 1870, May 1 and June 6, 1872, important reductions in tariff rates were made and the free list greatly enlarged. It was officially estimated at the time of the passage of the various acts that these changes would result in a reduction of the revenue from customs of \$57,227,510. The revenue from this source in 1869 was \$176,114,904, and in 1873 it was \$184,929,542, or an increase of \$8,814,138, instead of a reduction of \$57,227,510. This increase took place notwithstanding the fact that free importations increased in value \$157,707,264 between 1869 and 1873. Similar results may be reasonably expected should the House bill become a law.

If foreign manufacturers should, through the changes made in the cotton and woolen schedules, secure a quarter of the market now held by our cotton and woolen manufacturers—and this is certainly a very conservative estimate—the additional amount of duty collected from increased importations would amount to at least \$60,000,000 annually. The expansion of imports which would surely follow the reduction of rates on china, porcelain, common window glass,

manufactures of iron and steel, flax, jute, hemp, and a large number of minor manufactures, would greatly augment the revenue.

2. It provides no remedy for undervaluations, but, on the contrary, it invites and gives immunity to unlimited fraud by the substitution of *ad valorem* for specific duties.

3. It does not remedy any of the inequalities or anomalies, or cure any of the defects of existing law. While it perpetrates existing infirmities, it creates, by its obscurities of purpose and phraseology, and by its faulty construction, doubts and ambiguities which must multiply indefinitely the confusion now existing. The bill does not preserve the classification of dutiable articles in schedules, and it is impossible to say in many instances to what clause of existing law the amendments proposed by the bill were intended to apply, or what their effect would be. Although the different paragraphs in the various schedules have been numbered for reference at the Treasury Department, they have never received any such legal designation as would permit accurate description or identification for purposes of amendment or appeal, and the difficulties which would certainly arise in the interpretation of various provisions of the bill would unavoidably lead to endless litigation and serious loss to the Treasury. Some of the defective provisions now in force have caused great injury to important industries. For instance, the paragraph fixing rates on hat materials, reads as follows:

Hats, and so forth, materials for: Braids, plaits, flats, laces, trimmings, tissues, willow sheets and squares, used for making or ornamenting hats, bonnets, and hoods, composed of straw chip, grass, palm, leaf, willow, hair, whalebone, or any other substance or material, not specially enumerated or provided for in this act, twenty per centum *ad valorem*.

This has been construed by the Treasury Department and the courts to admit silks, satins, laces, and a large variety of other expensive articles as "materials for hats," which are really used for other purposes, at the low rate of duty of 20 per cent *ad valorem*, when for other uses the same articles are dutiable at 40 to 50 per cent *ad valorem*. The clause in the bill under consideration which provides for the duty on hat materials reads as follows:

Hats, materials for: Braids, plaits, flats, willow sheets and squares, fit only for use in making or ornamenting hats, bonnets, and hoods, composed of straw, chip, grass, palm leaf, willow, hair, whalebone, or any vegetable material, not specially enumerated or provided for, twenty per centum *ad valorem*.

It was probably the intention of the framers of the bill to remedy the defects alluded to, but it is clear from a comparison of the two paragraphs that the provision of existing law in regard to materials for hats, composed of "any other substance or material" than straw, chip, etc., would still remain in force and unrepealed, and the practice of importing silks, laces, etc., as hat materials, at 20 per cent *ad valorem* would continue. Similar failures of amendments to amend are found in all parts of the bill. To illustrate cases of this kind, we have appended to our report (Appendix F) a list of paragraphs of doubtful meaning, together with some of those where any probable interpretation would increase existing confusion.

The results, however, which would flow from the failures of the bill as a corrective measure would be much less disastrous to the material interests of the country than those which must surely follow the adoption of its vicious affirmative propositions.

AD VALOREM DUTIES.

The feature of the bill which most clearly indicates its purpose is the proposed substitution of ad valorem for specific duties. This substitution could have no other result than to change rates now protective for others which would not protect. The promoters of this bill must have been familiar with the testimony submitted to Congress by Secretary Manning disclosing enormous frauds upon the revenue and honest merchants through the use of ad valorem rates. The frequency and notoriety of these frauds and the widespread demoralization resulting from them should have prevented any attempts to extend the system.

The use of ad valorem rates has been condemned by the experience of every commercial nation in the world, by the judgment of those who have been intrusted with the responsibility of customs administration, and by honest importers and merchants, as well as by intelligent political economists and legislators of every shade of economic belief. The reasons for this general and sweeping condemnation are obvious; ad valorem rates are equally unsatisfactory and uncertain whether levied for revenue or for protective purposes; duties based on foreign-market value are, even under the most favorable circumstances, with honesty of purpose on the part of the importer and the highest degree of knowledge and unquestioned integrity on the part of the appraising officers, necessarily uncertain and unequal; but when, as now, many foreign importers deem the successful evasion of our revenue laws by unscrupulous methods the highest evidence of business capacity, ad valorem rates fail lamentably of their purpose. They greatly exaggerate variations in foreign prices. When business is depressed and foreign prices are abnormally low, when foreign competition is most to be dreaded, and when a defensive barrier is most needed by domestic producers, then ad valorem rates are lowest, protection is reduced, and depression is intensified. On the other hand, when foreign values are highest rates are highest, and restriction enlarges into prohibition.

If it is desirable that a sliding scale of duties should be adopted, rates should increase as foreign prices diminish. Ad valorem rates afford facilities for the grossest frauds upon the revenue; through undervaluations they invite evasions of the law and reward dishonest importers, while they destroy the business alike of honest importers and of domestic manufacturers. The foreign manufacturer practically fixes the duty which he is willing to pay, and in many cases the only limitation upon the amount of foreign importations is the extent to which the fear of detection influences the persons who make the invoices. The evils which flow from ad valorem rates are so great and so manifest that this plan of collecting duties has no advocates but professional and political revenue reformers and dishonest consignors.

In illustration of the effect of the House bill to increase importations and break down domestic producers, we cite the application of ad valorem rates to the manufacture of fine cotton cloths. The specific rates now levied upon cotton cloths furnish no reasonable grounds for adverse criticism, either by the producers or consumers of cotton manufactures. The inevitable effect of the substitution would be to largely increase the importation of all the finer and more ex-

pensive classes of these goods, and to produce disorganization and depression in this important industry. The uniform rate of 40 per cent proposed bears very unevenly upon the various grades of goods. It would be, if collected upon an honest valuation, protective upon the coarser and commoner kinds which are largely consumed by all classes of our people, but it would encourage the importation without restraint of those fine fabrics which may be properly designated as luxuries.

The leading cotton manufacturers of the country joined in an emphatic protest to the framers of the bill against the adoption of ad valorem rates, and submitted the following strong statement of their objections to the system:

While the ad valorem method seems to theoretically have the merits of simplicity and equity, it is in practice found to be unreliable, a prolific source of undervaluation, false invoicing, and false oaths, and a premium upon commercial dishonesty, and to tend toward a transfer of legitimate business from honorable importers to the most irresponsible and unscrupulous class of foreign traders. A reference to the records of revenue from the customs department and the United States courts, or inquiry among importing houses, will convince you, it is believed, of the truth of the foregoing assertion, and that the gravity of the danger inherent from the ad valorem system is not exaggerated.

It is therefore thought to be proper to call your attention to this proposition of the adoption of ad valorem rates pure and simple, and to urge in the strongest manner that no such backward step be taken, however enticing it may appear theoretically, but that the ad valorem rates be used only where the specific form is inapplicable, or to supplement the latter in order to better equalize rates, as it is wisely applied in the present tariff.

While no classification of cotton cloths can be equitable, and discrepancies will from time to time appear and disappear, consequent on changes in processes and the fickleness of fashion, these inequalities are found in practice under the specific form to be so inconsiderable in amount as to have but an insignificant bearing upon the principle and a trifling effect upon the revenue or volume of business, and any objection based upon such inequalities would be found to be imaginary rather than real.

The proposal to apply this principle to all manufactures of wool would be equally unsatisfactory and destructive. The rate proposed in the woolen schedule would prevent importation of the low grades of flannels, blankets, and hats of wool, and all low and medium grades of cassimeres and other cloths which enter into the clothing of the great mass of our people, but would be insufficient upon all the finer classes of dress goods and cloths for men's wear. All the articles in both these schedules which could be classed as necessities of life, and which are worn by our working men and women, would be protected by the rates proposed to the extent of exclusion of the foreign article, while upon all the finer and more expensive products, which are in the nature of luxuries and purchased largely by the rich, the rates would place no restraint upon importations and would furnish no protection to the American producer.

Specific duties have been advocated by all our Secretaries of the Treasury, with one notable exception, Mr. Robert J. Walker, from Hamilton to the present incumbent of the office. The opinions of these officers are given in Appendix A. All the leading statesmen and financiers of Europe, and all acknowledged authorities on taxation on either side of the Atlantic, have advocated specific duties. They have been commended by all the principal administrative officers of customs, by the leading merchants, and by the chambers of commerce, in all of our large cities, for their simplicity and certainty

in execution. No expert knowledge is required for their enforcement by customs officials, as the articles upon which they are levied have only to be counted, weighed, or measured. While specific duties are less liable to evasion and are certain and uniform in their operations, giving greater stability to the revenues, they also have the beneficial tendency to exclude from the country inferior, adulterated, and worthless goods.

INJURIOUS REDUCTIONS IN RATES MADE BY THE HOUSE BILL.

That the Senate may be fully advised of the injurious character of the radical reductions in rates which are proposed by the House bill, a table is appended to this report (Appendix G) which shows in parallel columns existing rates, the rates proposed, and the percentage of reduction in each case.

The rates proposed in the schedules imposing duties on silks, wines, liquors, and tobacco are not changed by the terms of the House bill, and but slight reduction is made in the rate of duty on sugar.

With the exceptions named, every tariff schedule is invaded by alterations made with the hostile spirit which pervades the bill, and nearly all of our industries would feel the blighting effect of changes which are either inconsiderate or purposely destructive. The following list contains a statement of some of the manufactures which would be seriously injured by these reductions:

Articles on the dutiable list injuriously affected by the Mills bill.

Manufactures of cotton.	Chains of all kinds.
All manufactures of wool.	Files, file blanks, rasps, etc.
All manufactures of hemp, flax, and jute.	Iron and steel beams, etc.
Paper envelopes and other manufactures of paper.	Lead in ore and in pigs.
Steel railway bars.	Needles.
Manufactures, articles, and wares of iron, steel, and other metals.	Metallic pens.
All manufactures of manilla, sisal grass, and other vegetable fibers.	Type metal.
China, porcelain, Parian, and other wares.	Blacking of all kinds.
Common window glass and the manufactures of glass.	Manufactures of gutta-percha, hard rubber, etc.
Lead products.	Manufactures of hair.
Paints and colors.	Ink of all kinds.
Iron and steel rivets, bolts, etc.	Brushes of all kinds.
Wrought-iron and steel spikes, etc.	Marble sawed and dressed, and manufactures of marble.
Horse, mule, and ox shoes, etc.	Manufactures of papier-maché.
Cut tacks, brads, and sprigs.	Philosophical instruments and apparatus.
Horseshoe, hob, and wire nails, etc.	Webbing composed of cotton, flax, and other materials.
Boiler and other tubes.	Zinc, dry and ground in oil.
	Confectionery of all kinds.

The committee estimate the value of the annual product of these industries to be at least \$2,000,000,000, and that in their prosecution employment is given to not less than 1,250,000 persons, while at least 5,650,000 are directly dependent for support on their continued existence and prosperity.

The testimony taken by your committee and herewith submitted to the Senate contains abundant evidence in detail from manufacturers and workmen alike of the destructive results sure to follow the adoption of the House bill.

From the representatives of imperiled industries a voice of universal protest has been raised and the action of the Senate has been earnestly invoked to preserve great enterprises from ruthless and unnecessary ruin.

For weeks we have patiently listened to persons employed in the various pursuits and from every section, and with doors open to all, we have received the advice and counsel of the men whose labor, enterprise, and skill have made the United States the foremost industrial country of the world, and not one person has appeared to approve or to advocate the bill under consideration.

The free-trade tendencies which are partly concealed in these propositions to cripple or destroy numerous industries are clearly brought into view by an examination of the list of articles which the bill proposes to place upon the free list. Of the 104 items from which the duties are removed nearly one-half, 48 in number, are manufactured articles, 16 are agricultural products, 11 are articles which are now free of duty or without commercial importance, and 21 are articles which now pay a small revenue duty, but which are of such a character that removal of duties is unobjectionable.

The following is a list of the manufactured articles from which the duties are removed:

Timber, hewn, sawed, or used for spars or wharves.	Shingles.
Timber, squared or sided.	Clapboards, pine or spruce.
Sawed boards, planks, deals, and all other sawed lumber.	Salt in packages or in bulk.
Hubs for wheels, posts, and all kinds of blocks, roughhewn or sawed.	Burlaps, not exceeding 60 inches in width.
Staves of wood.	Bags of jute for grain.
Machinery for the manufacture of cotton bagging.	Alumina, alum, etc.
Iron or steel sheets coated with tin or lead, known as tin plates, terne plates, or taggers' tin.	Borax and boracic acid.
Glycerine.	Copper, sulphate of, or blue vitriol.
Phosphorus.	Iron, sulphate of, or copperas.
Soap, hard or soft.	Soda:
Extracts for tanning.	Sulphate of, or niter cake.
Indigo, extracts of and carmined.	Sulphate of, or Glauber's salt.
Iodine, resublimed.	Sulphur, refined in rolls.
Oil:	Coal-tar products.
Croton.	Coal tars, not colors or dyes.
Hemp seed and rape seed.	Logwood and other dye woods, extracts of.
Oils:	Quicksilver.
Olive oil.	Brick.
Cotton-seed oil.	German looking-glass plates.
Salad oil.	Chicory, roasted and ground.
Neat's-foot oil.	Cocoa and chocolate, prepared.
Seal oil.	Grindstones, finished.
Barks, beans, berries, etc., advanced by refining or grinding.	Other and ochery earths, etc., dry and ground in oil.
Cotton ties or hoops for baling or other purposes.	Acorns and substitutes for coffee, prepared.
Needles.	Osier and willow, prepared, for basket-makers' use.
Pickets and palings.	Curled hair for beds and mattresses.
Laths.	Manufactures from nondutiable crude minerals, not otherwise provided for.
	Finishing powder.
	Rattans and reeds, manufactured.

This is free trade in the concrete, and the list furnishes conclusive evidence of the intent of the House bill, which can not be neutralized by the eleventh-hour disclaimers of its supporters.

Upon investigation it will be found that, with the exception of tin plates, the supply of the above articles for home consumption is now furnished to a great extent by domestic producers, whose business would be, in most instances, at once destroyed by the adoption of this bill.

The committee have not been able to secure accurate statistics of the aggregate value of these manufactures, or of the number of persons employed in their production. It is evident, however, from an examination of the list and of the testimony taken by your committee and the reported value of the products of 1880, that at least \$500,000,000 of capital and 300,000 workmen are now so employed. These items seem to have been taken indiscriminately from the present dutiable list, and there is no reason for the removal of duties upon them which would not apply with equal force to hundreds of other manufactures which are now dutiable. They owe the distinction of having been designated for the first sacrifice on the free-trade altar to the fact that neither the interests of a section nor the political control of a district demanded their preservation.

In many cases where the manufactured article is placed on the free list a duty is retained on the materials from which it is manufactured. It is needless to say that this discrimination would act as a prohibition upon production in this country.

Soap is placed on the free list while duties are retained upon caustic soda and essential oils, and a tax is retained upon alcohol. This would undoubtedly result in the destruction of a large industry which gives employment to nearly 25,000 persons.

German looking-glass plates are placed on the free list, while a duty is maintained on polished cylinder and plate glass, not silvered, of from 2.5 to 45 cents per square foot, equal in some cases to 152 per cent ad valorem. A duty is also retained on nitrate of silver and tin foil used in the silvering process.

Tin plates, or iron and steel sheets coated with tin or lead, are placed on the free list, while iron ore and pig iron, as well as the iron bars or steel billets and slabs, from which these sheets must be rolled, are dutiable at from 45 to 60 per cent ad valorem. A duty is also placed by the bill on common black sheet iron of from 1 to 1.4 cents a pound, and iron and steel sheets, when galvanized with zinc or coated with any other metal except tin or lead, are required to pay an additional duty of from one-fourth to three-fourths of a cent a pound above these rates. There is also a duty levied of $1\frac{1}{2}$ cents a pound upon pig lead.

Iron and steel cotton ties and hoops for baling or other purposes, not thinner than No. 20 wire gauge, are made free, while other hoop, band, or scroll iron is dutiable at rates varying from 1 to 13 cents a pound, and an additional rate of one-fourth of a cent a pound is levied on articles wholly or partially manufactured from hoop iron. The iron bars or steel slabs from which cotton ties or hoops must be manufactured are dutiable at from 45 to 60 per cent.

Needles are placed upon the free list, while the duties on steel remain unchanged at not less than 45 per cent ad valorem.

The duty is removed from ocher and ochery earths, and umber and umbery earths, dry and ground in oil, while a duty of 15 cents per gallon is retained on linseed oil.

In the manufacture of the chemical and other products which are placed on the free list the use of expensive apparatus and machinery is required, and these remain dutiable. Alcohol, upon which a tax of nearly 400 per cent ad valorem is retained, is largely used in some of the products on which the duties are removed or greatly reduced.

In a considerable number of cases the admission of important manufactured products free of duty, while a duty is retained on materials, would not only extinguish the industry directly affected, but would effectually destroy important collateral industries.

The free admission of iron or steel sheets of all thicknesses coated with tin or lead would not only prevent the production of tin plates in this country, but it would cause a substitution of imported tin plates or sheets in most cases for roofing, and other building purposes, and for domestic uses, where galvanized or other sheet iron or steel is now used, and thus large and important American industries, now fully established, would be annihilated.

The provision to admit German looking-glass plates free of duty would not only destroy the business of silvering plates in this country, but the much larger and more important industry of manufacturing plate or other polished glass for all purposes. As the glass referred to is of the finest quality and highly polished, it would not only take the place of plate or other polished glass for looking glasses, but of glass for other purposes, as it could be cheaply silvered and the silver removed at an expense which would be insignificant compared with the duty on foreign glass. This provision also contains, we believe, the first attempt which has been made in an American tariff to discriminate between the productions of various foreign States, and it can be safely assumed that the producers of France, Belgium, and England would not consent to this discrimination in favor of German manufacturers.

Placing curled hair upon the free list would ruin a useful trade, and it would also deprive the farmers of the United States of a profitable market for millions of pounds of hair.

In many cases the duty is removed not only from materials, but also from the manufactured product in various stages as well. Raw wool is free of duty, and no duty is levied on washed or scoured wool, or on wool tops or other manufactures of wool less advanced in condition than yarns.

Jute is put upon the free list, and the duties are also removed from burlaps, and bags of jute for grain.

If Canada consents, round and square timber and sawed boards are all free from duty, while the duty on planed lumber is left an uncertain quantity.

Several important crude minerals, like copper, quick-silver, and antimony, are placed on the free list, and the duty is also removed from the unenumerated manufactured products of these and of the crude minerals, gold, silver, aluminum, bromine, bismuth, and many others of importance which are now free. It is impossible to say what the effect of this sweeping provision would be; it certainly would admit free of duty a large number of valuable manufactured articles which are now dutiable.

Crude and refined borax and boracic acid, coal tar, and coal-tar products, and grindstones, finished and unfinished, are placed on the free list.

It is evident that in these, and in many similar cases, free raw materials would not benefit the domestic manufacturers.

In several cases articles are free under one description and dutiable under another, for example:

Iron hoops for other purposes than baling are free, while iron hoops for all purposes except cotton ties, which are specially provided for, are dutiable at from 1 to 1.3 cents a pound. All vegetable fibers, including flax, are free, while hackled flax is also dutiable at \$10 per ton. All earths and clays unwrought are free, while china clay, or kaolin, unwrought is dutiable. All unmanufactured or undressed monumental or building stone, including marble, is free, while undressed marble is also dutiable at 40 cents per cubic foot. Cocoa prepared and manufactured is free, while chocolate, a preparation of cocoa, is dutiable at 2 cents a pound.

In a great number of instances materials used by the manufacturer are dutiable at one rate, while the finished product is dutiable at a lower rate. This want of relation in rates, which extends to every schedule in which changes are made, will affect injuriously all of our important industries.

For instance, white lead when dry, ground, or mixed in oil is dutiable at 2 cents a pound, while orange mineral, a manufactured product of white lead, is dutiable at $1\frac{1}{2}$ cents a pound; the rate on red lead and litharge, two other lead products, is but one-fourth of a cent above the duty on pig lead; while the rates on brown and white acetates of lead are so low that production would cease in the United States if this bill should become a law. The rates on structural iron and steel are reduced to six-tenths of a cent a pound, while the duty of 1 cent a pound is retained on bar iron, from which iron beams must be manufactured.

The duty on sugar above No. 20 Dutch Standard in color is fixed by the bill at 2.8 cents a pound, which is equivalent to nearly 85 per cent ad valorem. The duty on colored and other confectionery is 40 per cent ad valorem. Refined sugar could be manufactured into confectionery by machinery at an additional cost of one-half cent a pound, and imported at a rate of duty which would be about one-half of that imposed on the sugar before it was manufactured. Prepared and manufactured cocoa, which contains 75 per cent of pure sugar, is admitted free, and under this description chocolate confectionery would also be admitted free. We should have then under the House bill refined sugar dutiable at 2.8 cents a pound as sugar, dutiable at half this amount as confectionery, and free as manufactured cocoa. The effect of these provisions upon the manufacturers of confectionery, cocoa, and chocolate, and upon the business of refining sugar in this country can be readily understood. The value of the domestic manufactures of these articles by the census of 1880 was \$182,424,602.

Several important manufactures of iron and steel, including files and file-blanks, cut tacks and brads, and steel pens, which now have a specific rate, are given an ad valorem rate of 35 per cent, while the steel from which they are made is dutiable at not less than 45 per cent ad valorem.

Type metal is dutiable at 15 per cent ad valorem, while the lead of which it is largely composed is dutiable at $1\frac{1}{2}$ cents a pound, or 50 per cent ad valorem. Lead imported as type metal would pay a duty of three-eighths of a cent per pound, instead of $1\frac{1}{2}$ cents if imported as

pig lead. The lead could be recovered by the sweating process at a cost of about one-half of a cent per pound, and still a saving of three-eighths of a cent per pound could be made in duties.

Machinery, hardware, and other articles and wares composed wholly or in part of copper, are dutiable by the bill under consideration at 35 per cent ad valorem, while machinery, hardware, and other manufactures of iron, steel, or other metals, or of which these metals are the component material of chief value, are dutiable at 40 per cent ad valorem. Very much the larger portion of all the machinery and hardware now manufactured is composed in part of copper or brass, and if this bill should become a law all machinery and hardware would contain copper or brass, and in this way the duty on all such manufactures would be reduced from 45 per cent ad valorem, the present rate, to 35 per cent. The effect of this large reduction on the finest manufactured products of iron and steel and other metals, while the duty on the materials of which they are composed remains practically unchanged at much higher rates, would certainly be disastrous to many very important American industries. Machinery is still further discriminated against in the section authorizing the collection of a duty upon packages.

A duty of 25 per cent ad valorem is placed on paper, while the duty on paper envelopes, the raw material of which is paper, is reduced to 20 per cent, and the duty on the various manufactures of paper not otherwise provided for is fixed at 15 per cent.

Buttons, braids, fringes, and trimmings of all kinds, of wool or silk, are dutiable at 50 per cent ad valorem, while cloaks and other garments for ladies' and children's wear, made up, are dutiable at 45 per cent ad valorem.

Ground rice and rice meal are dutiable at 15 per cent ad valorem, while paddy, or rice with the outer hull on, is dutiable at 1 cent a pound, or 100 per cent ad valorem. Rice starch, an advanced manufacture of rice, is also dutiable at 1 cent a pound, while by a change in classification the rate on uncleaned rice is advanced one-half a cent per pound beyond existing rates.

Oilcloths are dutiable at 25 per cent; oilcloth foundations bear the same rate, while linseed oil and many other materials used in the production of oilcloth are dutiable at a higher rate.

The inconsistencies of the bill are numberless.

Cotton bagging is dutiable at three-eighths of a cent a pound, while a portion of the machinery for manufacturing cotton bagging is admitted free. Jute bags and burlaps which can be used for covering cotton are free, while the machinery for the manufacture of burlaps or jute bags is dutiable at 35 or 40 per cent ad valorem. Bags of jute for grain are free, while bags of jute for flour, fruit, vegetables, or other purposes are dutiable at three-eighths of a cent a pound. Burlaps not exceeding 60 inches in width are free, while burlaps exceeding 60 inches in width are dutiable at 25 per cent ad valorem.

Bibles and other books in foreign languages, printed for gratuitous distribution, are free, while Bibles and other books in foreign languages, if printed for sale, are dutiable at 25 per cent ad valorem.

Needles and looking-glass plates are free, while protective duties are levied on iron ore and soda ash.

Extract of hemlock bark is free, and extract of sumac is dutiable. Free lists and peas are free, while rice is dutiable at \$1.28 per bushel.

Wool and salt are free, while sugar and coal are given high duties. Copper ore is free, and nickel and zinc ores are protected.

One clause of the bill fixes the duties on screens, covers, and a large number of other articles of silk, jute, or vegetable material, at 40 per cent ad valorem, while other provisions of the bill fix rates on the same articles at from 15 to 50 per cent.

We have enumerated but a few of the many defects and incongruities of the House bill, as every correct principle of tariff construction has been violated in selecting articles for the free list and those upon which large reductions in rates are made.

FREE RAW MATERIALS.

We have shown the deceptive character of the claim that the proposition of the House bill to place certain materials on the free list would stimulate manufactures.

All protectionists agree that crude materials used in manufactures, or articles of any description which can not be produced to any considerable extent in this country, or which, from climatic or other causes (not depending upon the cost of labor), can not be produced here under as favorable conditions as elsewhere, should be placed on the free list. With few unimportant exceptions all the materials which may be fairly said to be included in this description are now free. Those upon which a revenue duty is now retained are transferred to the free list in the substitute to the House bill proposed by your committee. The great number of articles which have been added to the free list since 1870 in pursuance of this policy is elsewhere alluded to. The percentage of importations of free and dutiable articles under the various tariffs which have been in existence from 1846, inclusive, is shown by the following table:

Period.	Dutiable.	Free.
	<i>Per cent.</i>	<i>Per cent.</i>
1847 to 1857.....	88	12
1858 to 1861.....	78	22
1879 to 1883.....	70	30
1884 to 1887.....	66	34

It will be seen that with protective legislation we have had a much larger and constantly increasing amount of free importations. The protective policy contemplates the free admission of all noncompeting articles and of all those in the production of which the benefactions of nature have given other countries permanent advantages over our own.

The doctrine of free raw materials, as advocated by tariff reformers, is a difficult one to enforce in legislation. In the usual division of labor the finished product of one man becomes the raw material of his industrial successor. If each man in this series becomes a tariff reformer, and insists that every article which he buys shall be considered a raw material and placed on the free list, and that every article which he sells shall be deemed a manufactured product and protected, a practical solution of the problem of tariff construction is impossible.

As we have already shown, but very few of the articles placed on the free list by the House bill can possibly be classed as raw materials.

In the small number of cases where duties have been properly removed from crude materials, such a reduction has been made on the manufactured product that the change would prove an injury rather than a benefit to the manufacturer.

It is claimed that the bill seeks to reduce the duties on the necessities of life, but the fact is that, of the long list of articles put upon the free list, salt is the only one which could be called a necessary of life, and of the changes made in the dutiable list the insignificant reductions on sugar and rice are the only ones which could be credited to this purpose. In marked contrast with these trivial reductions is the action taken in reducing rates of duty on luxuries, as shown by the following table:

Articles.	Existing duties.	Proposed duties.
Artificial feathers, flowers, and millinery ornaments	50 per cent.	30 per cent.
Dolls and toys	35 per cent.	Do.
Kid gloves	50 per cent.	40 per cent.
Cosmetics, pomades, and toilet powders	do.	30 per cent.
Cut, engraved, and stained glass	45 per cent.	40 per cent.
Manufactures of rosewood, mahogany, and satin wood	35 per cent.	30 per cent.
Proprietary preparations, pills, etc.	50 per cent.	Do.
Olive, salad, and other oils	Various.	Free.
Fine confectionery	10 cents per pound.	5 cents per pound.
Prepared cocoa and chocolate	50 per cent.	40 per cent.
Manufactures of marble	2 cents per pound.	Free.
Peruccion caps	50 per cent.	30 per cent.
Fine linen cloths of all kinds	40 per cent.	Do.
	35 per cent.	25 per cent.

FREE WOOL.

We have been recently advised by the President of the United States that in any tariff revision "such reliance upon present revenue arrangements as has been invited or encouraged should be fairly and justly regarded," and assured that in the reforms inaugurated by his party friends "abrupt and radical changes which might endanger such enterprises and injuriously affect the interests of labor dependent upon their success and continuance are not contemplated or intended."

There can be no better test of the sincerity of these sounding declarations than the proposition to put wool on the free list. Wool has been dutiable since 1816, and through all the tariff mutations which have taken place since no suggestion has been made by any political party, up to the inauguration of the present administration, for the removal of duties. The woolgrowers of the country produce annually 300,000,000 pounds of wool, valued at \$100,000,000. They supply nine-tenths of the clothing wool used by American manufacturers, and they have raised the United States to the first rank among the wool-producing countries of the world. Those who have, by their patient labor and intelligent efforts, built up this great industry, relying for security upon the protection of "present revenue arrangements," are certainly entitled to fair treatment and reasonable consideration. They are refused either by this proposal. It is neither fair nor reasonable to suddenly force this large portion of our people into unequal and ruinous competition with the underpaid or semi-barbaric labor of other wool-producing countries. It will afford no consolation to the numerous woolgrowers of the country to tell them, that their ruin may benefit the woolen manufacturers, or that we must have free wool because England, Germany, and France, under

circumstances and conditions entirely different from ours, have removed the duties. If we are to look to the interests of the people of the United States alone, and to have in view the development of our own great natural resources, the adequate protection and care of wool producing must continue a feature of our American policy. Even the government of the Southern Confederacy, with a provision in its constitution which forbade the imposition of protective duties, recognized the importance of encouraging wool production, and levied a duty on raw wool.

Scarcely any other branch of American industry is more important to the American people or more necessary to their industrial prosperity and independence than wool growing and wool manufacturing. Scarcely any other branch has so fully vindicated the policy of protective duties by remarkable growth since the enactment of the protective tariff of 1861. In selecting these branches of industry for the radical changes which free-trade theories enforce, the President and his party have made it perfectly understood, in this country and abroad, that their acceptance of these theories is complete, and that they intend to put the axe to the root of the protective system.

The only reason given for advocating a repeal of the duties on wool, which have so greatly benefited agriculture, is that cheaper raw materials would help the manufacturer and benefit the consumer. In the same breath it is asserted that the prices of wool have been lower with protective duties than with revenue duties. The attempt to make the wool grower believe that free trade will raise the price of wool, and at the same time make the manufacturer believe that the same change will render his materials cheaper, can not be said to have been entirely successful. In a large portion of our country wool growing is co-extensive with farming, and the incidental benefits to the farmer, in many thousands of cases, make agriculture profitable where it would otherwise be profitless. It is by no means to the farmer who devotes his attention exclusively or mainly to the culture of sheep that the duties on wool are of the greatest importance. A far greater number of farmers now make farming pay with the aid of wool growing who could not do so if they were obliged to compete with the flock-masters and ranges of Australasia or South America.

The contention that wool growing in this country has not been aided or encouraged by protective duties is sufficiently answered by the following statement of the annual production and production per capita from 1840 to 1885:

Amount of wool produced in the United States.

Year.	Production.	Per capita.	Year.	Production.	Per capita.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
1840.....	35,802,114	2.5	1879.....	232,500,000	4.6
1850.....	52,516,969	2.7	1880.....	240,000,000	4.7
1860.....	60,264,913	1.7	1882.....	290,000,000	5.3
1869.....	162,000,000	4.2	1884.....	308,000,000	5.4
1874.....	181,000,000	4.2	1886.....	285,000,000	4.7

It will be noticed that in 1860, after fourteen years of revenue tariff, the total production of domestic wool was 60,264,913 pounds, or 1.7 pounds per capita, while in 1884, after twenty-four years of protection, the total production had increased to 308,000,000 pounds, or

5.4 pounds per capita. This increase justifies the policy of affording his important agricultural product adequate protection.

MANUFACTURES OF WOOL.

The following table shows the advance which has been made in woollen manufactures. It contains a statement of the value of manufactures of wool in each of the census years from 1820 to 1880, and the per capita value for each of those years:

Value of manufactures of wool in each of the census years from 1820 to 1880, and the per capita value.

Year.	Value.	Value per capita.	Year.	Value.	Value per capita.
1820.....	\$4,413,068	\$0.46	1860.....	\$65,596,364	\$2.09
1830.....	14,528,166	.88	1870.....	177,495,689	4.60
1840.....	20,696,999	.82	1880.....	267,252,913	5.34
1850.....	43,207,545	1.86			

The average annual quantity of wool consumed by our manufacturers from 1840 to 1887 was as follows:

Amount of wool consumed by American manufacturers by decades—average per annum.

Periods.	Products.	Imports.	Total consumption.	Per capita.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	
1841-1850.....	46,000,000	13,976,459	59,976,459	3.0
1851-1860.....	66,000,000	23,010,629	89,010,629	3.3
1861-1870.....	150,000,000	50,161,113	200,161,113	5.4
1871-1880.....	192,225,000	64,091,664	256,316,664	5.8
1881-1887.....	289,428,571	79,205,585	368,634,156	6.6

These tables, taken together, show that harmonious development of interests which it is the aim of the American policy of protection to secure.

It is often stated that the heavy duty on wool has prevented the normal growth of woollen manufactures. For the purpose of making comparison between this and an industry which has free raw material, we insert the following statement, showing the total value and the value per capita of the cotton and woollen manufactures of the United States for each of the census years from 1830 to 1880:

Comparative statement of the values of manufactures of cotton and wool in each of the census years from 1820 to 1880, and the per capita value of each manufacture.

Year.	Manufactures of cotton.		Manufactures of wool.	
	Value.	Value per capita.	Value.	Value per capita.
1820.....			\$4,413,068	
1830.....	\$32,000,000	\$2.49	14,528,166	\$0.88
1840.....	46,350,458	2.71	20,696,999	.82
1850.....	65,501,687	2.82	43,207,545	1.86
1860.....	115,681,774	3.68	65,596,364	2.09
1870.....	177,489,739	4.60	174,495,689	4.60
1880.....	192,090,110	3.83	267,252,913	5.34

It will be noticed that the relative increase in the value of woollen manufactures has been much greater than in cotton. In 1870 the production of cotton and wool per capita was the same (\$4.60 in each case), while in 1880, with a heavy duty upon wool, woollen manufactures had increased to \$5.34, and cotton manufactures, with free cotton, had fallen to \$3.83 per capita.

It may be valuable in this connection to make a comparison of the changes which have taken place in the consumption of wool in the countries which are the principal competitors of the United States in woollen manufactures.

Germany has increased its consumption of wool in manufactures about 40 per cent in twenty years. France consumed in 1866 about 310,000,000 pounds of wool—190,000,000 foreign and 120,000,000 home grown; and in 1886 about 446,000,000 pounds—366,000,000 foreign and 80,000,000 domestic; an increase of barely 44 per cent in twenty years. Great Britain consumed 238,000,000 pounds in 1859, when the United States consumed 86,000,000 pounds. In 1885 Great Britain consumed 366,000,000 pounds, when the United States consumed 400,000,000 pounds. This startling change in the industrial relations of the two countries may afford some explanation of the anxiety in Great Britain for the destruction of the protective policy of this country.

The development of woollen manufactures in the United States has been arrested by the inadequate duties that were imposed upon manufactures of wool by the act of March 3, 1883, which, taken together with the erroneous classification of manufactures of worsted, have led to greatly increased importations from England, Germany, France, and Belgium. The rapidity with which these importations have increased the past year threatens, unless some remedy shall be promptly adopted, to destroy the woollen manufacturing industry of the United States. The following table shows the importation of worsted coatings, etc., from the consular district of Bradford, a single manufacturing district of Great Britain, for the past six months and for a corresponding period in 1887:

Exports from the consular district of Bradford, England, to the United States of certain woollen and worsted fabrics during the first six months of the years 1887 and 1888.

Articles.	1887.	1888.	Increase.
Stuffs.....	\$3, 199, 760	\$3, 363, 605	\$183, 845
Worsted coatings.....	1, 534, 235	2, 689, 387	1, 155, 152
Woollen goods.....	197, 560	274, 255	76, 695
Silk seals, plushes, etc.....	719, 595	1, 407, 705	688, 110
Worsted yarns.....	302, 702	346, 330	43, 628
Total.....	5, 933, 852	8, 081, 282	2, 147, 430

Similar statistics in regard to importations from other districts and countries are not available, but they would undoubtedly show a like increase of importations.

The average annual importation of all manufactures of wool except carpets for the years 1868 to 1883, under the tariff of 1867, was \$34,129,676.21. The average annual value of the same importations under act of March 3, 1883, in the years 1884–1887 was \$39,232,500.25.

The value of these importations in 1887 was \$42,752,588.12, and in 1888 was \$46,352,063.

The value of the importations of all manufactures of wool for the month of July, 1888, was \$1,265,992 greater than the importations for the corresponding month in 1887. If this rate of increase continues, the total imports for the present fiscal year will be about \$63,000,000.

To form an approximate estimate of the rapidity with which the quantity of imported woollen manufactures is increasing we should consider the great decline which has taken place in the price of woollen and worsted goods. The average value of the importations of manufactures of worsteds, etc., for the four years prior to 1883 was \$1.33 per pound, while in 1887 the average had fallen to 79 cents per pound.

The people of the United States consume nearly one-third of all the wool produced on the globe, the consumption per capita being very much greater than that of any other country. In 1860 the American producers supplied 68 per cent of the amount of woollens required for domestic consumption; in 1880 they supplied 87 per cent; while in 1884 the amount of woollen goods imported was probably less than 10 per cent of the value of the total consumption. Since the reduction in rates made in 1883, however, with the increase in the value of our imports of woollens, domestic production has relatively declined.

The following table shows the comparative value of domestic and imported manufactures of wool, value per capita, and proportion of the American market held by American and foreign manufacturers in each of the census years from 1820 to 1880:

Year.	Domestic manufactures.			Importations.		
	Value.	Value per capita.	Per-centage of total consumption.	Value.	Value per capita.	Per-centage of total consumption.
820.....	\$4,413,068	\$0.46	38	\$7,238,954	\$0.75	62
830.....	14,528,166	.88	64	8,290,032	.75	36
840.....	20,196,999	.82	60	13,950,772	.94	40
850.....	43,207,545	1.86	77	13,005,852	.65	23
860.....	65,536,364	2.03	68	31,333,273	1.16	32
870.....	177,495,089	4.10	85	33,046,521	.94	15
880.....	267,252,913	5.34	87	34,537,694	.90	13

One of the principal arguments used by the advocates of free wool is that if the duty should be removed the woollen manufacturers of the United States would be able to compete successfully for the markets of the world, and that by retaining the duty upon wool we are deliberately excluding them from profitable employment. There is, we believe, much popular misapprehension as to the extent of the markets of the world in woollen goods. The total amount of the net importations of woollen goods by all the countries of the world, excluding the United States, probably does not exceed \$90,000,000 per annum. We ourselves imported last year, 1888, nearly \$49,000,000 in foreign value of woollen goods, or more than \$80,000,000 in duty paid value.

It is thus demonstrated that we have within our own reach a market which is almost equal in importance to all the other available markets of the world, and it would seem to be the paramount duty of Congress

to secure to American producers by wise legislation this important portion of the world's market. It can be easily shown that if we had free wool we could not compete on equal terms for the neutral markets of the world. We could not compete because the cost of production of all manufactures of wool aside from the cost of wool is much greater in the United States than in competing countries. We have equal advantages in machinery, capital, the enterprise of our people, but the much greater wages paid to operatives and the greater earnings in this country of all the people who contribute to the production of our woolen manufactures prevent successful competition in neutral markets, unless wages should be reduced to the foreign scale.

It is only by the maintenance of the American system that the operatives in American woolen mills can hope to retain the immense advantages in respect of wages which they have over the workingmen of England, Germany, and France. The protection of the allied industries of wool and woolens has not, however, been beneficial alone to the persons employed in woolen mills. It has at the same time helped to increase the wages and rewards of farm labor; it has enabled us to raise and sell 300,000,000 pounds of wool where 60,000,000 pounds were raised, and to employ operatives in working up 400,000,000 pounds where but 86,000,000 pounds were manufactured. Coincident with this constant advance in wages and enlarged employment there has been a great reduction in the cost of woolen goods to American consumers. Free trade in wool and a bare revenue duty for woolens would compel farmers to raise other crops, of which the supply is already greater than the demand, and it would close factories in which many millions of capital are invested, rob an army of operatives of employment, and force down the wages of all other labor.

All this sacrifice and suffering, this arrest of harmonious progress, and this disorganization of labor, we are asked to face in the hope that with one-sixth of the world's supply of wool cut off, we may thereby get cheaper wool and woolens. If this hope were rational, the loss would far outweigh the gain. It is better to maintain the wages of our workers and to develop our own resources than to abandon our fields, stop our mills, and look to Europe for the supply of our manufactured products.

A SECTIONAL BILL.

The removal of the duties from cotton ties, burlaps to be used as cotton bagging, machinery for making cotton bagging, jute bags, etc., the retention of high duties on certain plantation products, such as sugar at 68 per cent and rice at 100 per cent, the imposition of duties which would be protective on the coarser kinds of cotton and woolen fabrics manufactured in this section, all point to an attempt by the terms of the House bill to discriminate in favor of the planters of the cotton-growing States, an attempt made with the vain hope that it may be found possible to achieve the permanent prosperity of one section at the expense of another.

The industries of this section are not disturbed. It is well known that a considerable number of interests in other sections are suffering from insufficient protection, and yet it is significant that the only article upon which the rate of duty is increased in the entire bill is uncleaned rice, which by a change in classification is advanced from 70 to 100 per cent ad valorem. We submit herewith (Appendix E) a sug-

gestive table taken from the census reports, which shows the relative proportion of the various manufactured products upon which rates are removed or largely reduced by the House bill that were produced in 1880 in the eleven cotton States and in the other States. This table discloses the fact that the section which furnishes the bill and two-thirds of its effective supporters supplies but $2\frac{1}{2}$ per cent of the industries to be crippled or destroyed.

A BILL TO FAVOR CANADA.

The discrimination is not less marked in favor of the people of Canada and against the farmers and lumbermen living along our northern border from Maine to Oregon. The following table contains a comparison of the rates which are imposed by the Canadian tariff upon certain articles placed upon the free list by the House bill under consideration:

Comparative statement of Canadian and United States tariffs on certain articles affected by the House bill (H. R. 9051).

Articles.	Present law.	H. R. 9051.	Canadian.
Oils, animal and fish.....	25 per cent.....	Free.....	20 per cent.
Oil, coal.....	10 per cent.....	Free.....	$7\frac{1}{2}$ cents per gallon.
Meats.....	1 cent per pound.....	Free.....	1 cent per pound.
Shoulders and other meats.....	2 cents per pound.....	Free.....	2 cents per pound.
Vegetables.....	10 per cent.....	Free.....	10 per cent.
Peas.....	10 or 20 per cent.....	Free.....	10 cents per bushel.
Beans.....	do.....	Free.....	15 cents per bushel.
Brick.....	20 per cent.....	Free.....	20 per cent.
Shingles.....	35 cents per M.....	Free.....	Do.
Hubs, spokes, etc.....	20 per cent.....	Free.....	15 per cent.
Lumber and timber, n. o. p. f.....	do.....	Free.....	20 per cent.

Under our existing tariff the Canadians send to our markets annually many millions of dollars in value of their products, which, after paying duties not greater than those levied by the Canadian tariff, are sold in competition with our domestic producers. The advantages which would accrue to the people of Canada by this removal of duties are manifest.

The effect which the placing of lumber on the free list would have upon the Canadian interests is shown by the following extract from the report of Consul Hotchkiss to the Department of State, under date of February 2, 1888:

I have been thus explicit in describing the systems of the two countries, for, to my mind, they are the key by which the situation and effect may be safely prejudged in case free lumber becomes a reality.

There is no dispute that the American manufacturer controls the making of prices. In doing this, he is not influenced by the Canadian supply in any degree. If the duty of \$2 is removed it will not affect the American price, because it has never been a factor and will still be unfelt. No lower price will prevail in the United States than heretofore, and no different net results will be experienced by the manufacturer.

The Canadian, on the contrary, will lay his lumber down in the American market at \$2 less per 1,000, and will obtain for it the same as the American does, so that the net result to the Canadian manufacturer will be a clear gain of the \$2 which the American Government has remitted. This additional net result to the Canadian manufacturer will, however, be of very brief duration.

Having shown how the governments in Canada continue their control of the timber land and their disposition to tax them to the utmost, I am confident

that not a May pay day will pass before a public notice will issue in effect that a further increase in annual and timber dues has been made an order in council, in sums sufficient to absorb the \$2 per thousand into the provincial treasuries.

That Canada will do this we have reason to believe, not only from the foregoing statement but from the fact that when in 1870 we placed logs on the free list, which prior to that time bore a duty of \$1 per thousand, Canada in 1872 responded by placing an export duty on logs of \$2, which duty is retained to this day.

HOME MARKET FOR FARM PRODUCTS.

The comparative treatment which is indicated by a contrast between the duties on rice and sugar and the placing of beans, peas, meats, vegetables, and other northern agricultural products on the free list does not deter the supporters of this bill from making earnest appeals to farmers as a class for support. This appeal is based upon the theory that a protective tariff can not aid the farmer in securing better prices or a wider market for his products, but that it does impose a higher cost upon every protected manufactured article which he buys. It might be an advantage to an individual farmer if he were able to buy the protected manufactured products which he consumes at the prices they could be purchased for in England or Germany: but if all the farmers should purchase their supplies of these articles at the lower foreign price relative conditions would change at once.

If these goods were all purchased abroad, the destruction of a large portion of the domestic demand for farm products created by the artisans and mechanics employed in manufacturing industries would follow, and a very large number of persons now engaged in other pursuits would be obliged to seek employment in agriculture. If, on the other hand, these manufactures should be purchased of domestic producers at the lower foreign price, this would involve, as we have shown, a reduction of the earnings of operatives and mechanics to the foreign level, and the consequent reduction of their ability to purchase farm products from the domestic supply.

An addition of 5 cents per day to the wages of the workingmen of the country would furnish a market within our own territory equal in extent to the value of the surplus agricultural products now annually exported. If the earnings of all persons engaged in useful occupations in the United States should be reduced to the level of the earnings of the same classes in Great Britain the purchasing power of our people would be reduced more than \$3,000,000,000 per annum, or by a sum equal to the value of all our agricultural products in 1880.

No class of people in the United States have an equal interest with the farmer in the diversification of our industries and in the development of manufactures. for proximity to profitable markets gives increased value to labor and to land and its products.

We append to this report Exhibit D, a statement showing the production, consumption, and exportation of cereals from 1840 to 1887, for the purpose of indicating the relative value to farmers of the foreign and home markets. From this table it will be seen that our total annual exports of all cereals would barely supply domestic con-

sumption for three weeks. If the per capita consumption by our people had not been greater in 1887 than it was in 1860 our surplus for exportation would have been at least 500,000,000 of bushels greater than it was. This increase of consumption per capita is owing to the increased earnings of the masses of our people. If the acreage and production of cereals should remain stationary for a year and a half we should then have no surplus for exportation.

The competition in wheat growing which has been developed in India, South America, Australia, and in the British possessions in North America is likely to make unprofitable the production of this cereal for exportation by our people, and to cause the wheat grower of the Northwest to look to an enlargement of the certain and remunerative home market. This enlarged and profitable market can only be secured by increasing the number of people engaged in other than agricultural pursuits, and by furnishing to all increased employment without diminution of wages. To cripple our manufacturing interests and reduce the purchasing power of our workingmen will result in augmenting the number of competitors in the field of agricultural production, and the increased supply could, in that event, only find a market in Europe by enforced competition with India at ruinous prices. Wheat can now be laid down in Liverpool from the Central provinces of India at as low a cost for transportation as from Chicago, and Indian wheat can be delivered in New York at less cost for transportation than from the wheat fields of Dakota.

It is for the highest interests of the American farmer that the number of our food consumers rather than of food producers should be increased, and that the general prosperity of all should be secured. It is true that the decline in prices of agricultural products has been very great, but the value of these when measured by the value of clothing, farming utensils, or other necessities of a farmer's life, is much greater now than in any of the years preceding 1860.

REDUCTIONS MADE BY THE HOUSE BILL, AS SHOWN BY THE AVERAGE AD VALOREM RATE.

After months spent in violent attacks upon the protective system, and when, fortunately, the people of the country have become thoroughly aroused to impending danger, the friends of the House bill suddenly discover that it is not a free-trade measure, and that it would not injuriously affect the vital interests of any of the large number of persons employed in American industries. In proof of this it is said that the bill proposes an average reduction of only \$4.32 on every \$100 of dutiable merchandise imported. The average ad valorem rate assessed on all dutiable goods in 1887 was 47.10 per cent, and it is assumed that the average rate under the terms of the House bill would be 42.78 per cent, and that therefore the percentage of reduction of rates is not more than 9.2 per cent.

It is claimed that this small percentage of reduction of rates proves conclusively that the bill is conservative in its character, that it would not injure any established industry, and that it is not open to the severe criticism to which it has been subjected. It is assumed that the retention of an average ad valorem rate of 42.78 per cent on dutiable merchandise is conclusive evidence that the bill has no free-trade tendencies.

These statements in regard to the average ad valorem rate imposed by the bill and the percentage of reductions made by it are misleading and deceptive. The average percentage of reduction made by the House bill in tariff rates can be estimated by a comparison of the amount which was collected, with existing rates, upon the importations of the articles named in its various sections, in any given year, with the amount which would have been collected on the same importations if the rates proposed had been operative. The rates imposed by three schedules of the existing tariff, namely, F, H, and L (tobacco, wines and liquors, and silks), are not reduced or changed in any manner by the terms of the bill. In the other schedules the duties on a large number of articles are left unchanged, and these, together with the schedules referred to, should not, of course, be taken into consideration in estimating the percentage of reduction of duties or rates.

The value of all the articles upon which the rates of duty are changed by the bill, and which are alone affected by its provisions, imported in 1887, according to the statement furnished by the Committee of Ways and Means and printed in connection with the bill, was \$249,806,796.20. Upon these articles there was imposed a duty in 1887 of \$136,087,147.77, equivalent to 54.48 per cent ad valorem. The same articles, if imported under the provisions of the proposed bill, would have paid, according to the same statement, duties to the amount of \$86,600,907.62, or an ad valorem rate of 34.67 per cent. The resulting reduction in the amount of duties collected under the House bill on the importations of 1887 would be \$49,406,240.15, or a percentage of reduction of 36.36 per cent, instead of 9.2 per cent, as claimed by the friends of the bill.

To ascertain, however, the effect which the bill would have upon protected industries, we should eliminate from this computation the amount collected from the revenue duty imposed upon sugar. If we deduct the value of the importations and amount of duty collected from sugar in 1887, we should then have the value of all imported articles referred to in the bill, \$175,571,927.80, upon which the duties collected in 1887 amounted to \$78,074,855.50. The duties which would have been collected upon these articles under the proposed bill would have amounted to \$39,525,789.49, showing a percentage of reduction of duties and rates upon all articles named in the bill, exclusive of sugar, of 49.37 per cent. These articles paid an average ad valorem rate in 1887 under the present law of 44.46 per cent, and would have paid, under the provisions of the House bill, 22.51 per cent. Instead, then, of retaining an average ad valorem rate upon all articles enumerated in the bill of 42.78 per cent, it would actually retain but 22.51 per cent.

The statement of reductions furnished by the House committee does not embrace the reduction which would be produced by putting German looking-glass plates, bags of jute, jute machinery, and several other articles of less importance upon the free list, nor does it include the reduction which would be made by an important change of classification in Schedule B, reducing the duties on several kinds of china, porcelain ware, etc., from 60 to 35 per cent. If these reductions are taken into consideration, it is apparent that the measure reduces the rates of duty more than one-half upon all articles affected by it, except sugar.

The average reduction in rates can be estimated by another method, viz, by a direct comparison of every item of existing and proposed rates and finding the percentage of reduction in each case (as shown in Appendix G), and averaging the resulting percentage without regard to the relative importance of the articles or the amount of importations. This method would show an average reduction of 53 per cent.

The alleged conservative character of the bill disappears under this examination, and we find that the average reductions it would produce are more than twice as great as any which have heretofore been proposed by the most courageous revenue reformer.

Many illustrations might be given to show the absurdity of attempting to establish the protective character of a revenue measure by the average ad valorem rate which it imposes upon dutiable articles. It is the distribution and relation of rates, and not the average rate imposed on all articles, which determine the character of a tariff. For instance, the average ad valorem rate imposed upon all dutiable articles by the British tariff in 1887 was 70.07 per cent, and yet it will hardly be claimed that the British tariff is protective in its character.

If all of the articles in our tariff schedules upon which protective duties are levied should be placed upon the free list and all our protected industries destroyed, and duties should be maintained at present rates upon tobacco, silks, wines and liquors, and sugar, the average ad valorem rate imposed upon dutiable importations would be 71.92 per cent instead of 47.10, and by this wonderful mathematical process of ascertaining the extent of protection by the average ad valorem rate we should find that the nearer we approach to free trade the greater would be the degree of protection afforded our industries. The assurance that after all a high average ad valorem rate was preserved would afford no compensation to the manufacturers or workmen whose industries were destroyed by the removal of duties. The average rate upon all the schedules, excluding silks, wines, liquors, tobacco, and sugar in 1887, was 73.65 per cent.

The effect of placing articles on the free list which bear lower rates of duty than the average is obviously to increase the average rates on the remaining dutiable articles. The high average ad valorem rate resulting from our present tariff is owing to the unexampled low prices current for a number of years and to the high rates of duties levied on tobacco, silks, wines, liquors, and sugar.

The tariff of 1846 is constantly referred to by tariff reformers as a model enactment, and yet if the articles in the four schedules named had been dutiable at the same rates in 1887 which were imposed upon them in 1846 (wines, 40 per cent; sugar, 30 per cent; tobacco, 40 per cent; silks, 30 per cent), the average ad valorem rates upon all imported merchandise in 1887 would have been 23.69 per cent, or a less rate than was imposed upon all imported merchandise under the act of 1846.

FREE TRADE.

In consequence of the extreme sensitiveness manifested by the authors and supporters of the bill under consideration to the suggestion that they are free traders, or that the measure which they have proposed looks in the direction of free trade, it may be well to

consider what is understood by free trade when the term is used to describe the economic policy of a nation.

It is true there is but one country to which we can look for an illustration, as, with the conspicuous exception of Great Britain, all other commercial nations have rejected the teachings of that school of political economists who dream of universal serenity and prosperity to be accomplished through the adoption of free-trade theories. Free trade, then, judged by the example of Great Britain, does not mean the abolition of custom-houses nor the collection of all revenues by direct taxation. There is annually paid by the people of Great Britain under the provisions of the British tariff an equal sum per capita for duties on imports to that which would be paid by the people of the United States under the provisions of the House bill or of the substitute proposed by your committee.

A free-trade country may be properly described as one which does not impose protective duties upon importations. Lord Salisbury lately defined a free trader as one who is opposed to protection. Mr. David A. Wells recently said: "Free trade, as an economic principle or politico-commercial system, is the direct opposite to the so-called principle or system of protection." If these definitions are correct the promoters of this bill are self-confessed free traders, and denial that they are engaged in a "crusade of free trade" comes too late, for the American people are not likely to forget the lessons of 1844 and the political rallying cry of "Polk, Dallas, and the tariff of '42."

American free traders or revenue reformers, as they now choose to call themselves, are hopelessly divided in opinion as to the proper manner of raising the revenue necessary for the support of the Government; many of the more conspicuous are in favor of a single tax upon land; others prefer the direct tax contemplated by our Constitution; some favor the collection of revenue by customs duties upon articles not produced in this country, after the manner of the British tariff; much the larger number, however, are in favor of a general tariff for revenue only, but all oppose with equal ardor the imposition of protective duties, which they declare to be "vicious" and "iniquitous," resulting in "spoliation" and "robbery."

These gentlemen have also differed at times as to the best method of securing the abolition of protective duties and the destruction of the system. They are, however, in substantial agreement that the long line of our industrial defenses can only be carried by concentrating their forces upon that which seems from time to time to be the weakest point. After each repulse or defeat some new point has been selected for the assault. The warfare has usually been directed against the manufacturers of the country, who were declared to be odious monopolists, whose exactions wrung from an unwilling people by the machinery of a protective tariff could be no longer tolerated. The present movement is disguised under the pretense of a purpose to assist and emancipate our overburdened manufacturers.

Great ingenuity has been shown in the construction of the varied and various reform measures which have been introduced in Congress from year to year, but in all the common purpose of destroying the protective system has never been lost sight of. The free-trade programme embodied in the bill now under consideration was adopted in 1885, after the defeat of the so-called Morrison horizontal reduction bill of 1884.

In November, 1885, the free-traders and revenue reformers of the country met in national conference at Chicago, under the auspices of the American Free Trade League, to decide upon a plan for renewing the attack upon the common enemy. This important conference, after prolonged discussion, determined to urge upon their friends in Congress the adoption of the policy outlined in the following resolutions:

We therefore urge upon Congress for action at the ensuing session—

1. That, under no pretense, shall any countenance be given to attempts to increase protective duties.

2. That articles which are at the foundation of great industries should, in the interest of labor and commerce, be freed from duty, whether they be crude materials (as lumber, salt, coal, ore, wool, etc.) or partly manufactured (as chemicals, dyestuffs, tin plate, wood pulp, etc.).

3. That on products from such articles duties should be at least correspondingly reduced, so that protection, real or nominal, to manufacturers shall not be increased and that the consumer shall have the immediate benefit of the reduction.

We urge that any steps in tariff reform should simplify the present complicated classification, and should do away with mixed duties, replacing them by ad valorem rates, instead of specific duties which are most burdensome on low-priced goods consumed by the great body of the people.

These resolutions were prefaced by a long preamble declaring, among other things, that "every protective feature must at the earliest day be cradicated from our revenue system."

A careful comparison of the provisions of the House bill now under consideration with the detailed suggestions contained in the resolutions will show with what fidelity the programme of the free-trade conference has been followed in every essential particular.

At the conference a suggestion was made that it might be advisable to memorialize the President on this subject, but the presiding officer, Mr. David A. Wells, responded:

We can trust the President of the United States.

This confident and significant assertion was publicly made a year before the President sent the annual message to Congress in which he enunciated the policy of the administration and of his party upon the lines laid down by the free-trade conference, and in which he sought to enforce the soundness of the position they had taken by the use of arguments which had become familiar through constant reiteration for half a century by free traders on both sides of the Atlantic.

The controversy, however, between the opponents and the friends of the bill under consideration is not one over names or phrases; it is a contest between those who support and those who oppose the American system of defensive duties; and this conflict is as irrepressible as that which was waged between the respective friends of freedom and slavery. There is, moreover, the same irreconcilable antagonism between a protective tariff and a tariff for revenue as that which exists between protection and absolute free trade. The definition of revenue duties given by Secretary Walker, their most distinguished advocate, and one which has been generally accepted by his followers, carefully and effectually excludes all idea of protection.

A duty whether high or low which does not equal the difference in cost of production, in this and in any competing country, of the article upon which it is levied, is not protective.

If a duty is protective it matters not to the labor employed in an industry whether it is so accidentally, incidentally, or whether it is levied with full knowledge and intent of the result which is to follow. If the rate is below the protective line it has no defensive virtue, and confers no benefits upon domestic manufacturers. The debate is between those who believe that protective duties may be levied in pursuance of a wise public policy and those who believe that all protective duties are indefensible; and in this discussion the advocates of the House bill necessarily take their places among the opponents of the protective system.

LABOR COST OF PRODUCTION.

It is asserted that the rates of duty retained by the House bill must be sufficiently protective to the labor employed in our various manufacturing industries, as these rates on all manufactured articles are greater than the entire sum paid in each case for labor in producing the article. For illustration, it is claimed that, as the average rate proposed by the bill on manufactures of cotton is 39.07 per cent, and as the assumed average labor cost in these manufactures is but 21.06 per cent, it may be said (even though competing nations should reduce the wages of labor in this industry to the lowest possible minimum) that the duties retained would much more than equalize the larger sum paid by the American producer for labor. The census of 1880 and the first annual report of the Commissioner of Labor are quoted in corroboration of these and similar statements in regard to other industries. The labor cost of producing a ton of pig iron in various parts of the United States is assumed to be from 8.55 to 16.71 per cent of the total cost of production, and as the rate of duty proposed by the bill on pig iron is \$6 a ton, or nearly 55 per cent of the foreign price, it is therefore said to be evident that this duty could be still further reduced more than one-half and yet be amply protective of the labor employed in this industry.

The extravagance of these statements and the falsity of the deduction made from them are apparent when we consider that the percentage of labor cost in each case is based upon the amount paid for labor at a single stage of the long process of manufacture.

In the ultimate analysis, the cost of production of manufactured articles is the cost of the labor or services of man. The cost of the original elements in their natural state, before they are advanced in value by labor, is insignificant. If, in computing the cost of production, we should exclude the sums paid for taxes, insurance, interest, and retained for accruing profits, a large portion of which represent payments for labor and services, and which together would rarely amount to 10 per cent of the entire cost, we should then find the labor cost in all cases to be at least 90 per cent of the total expenditure.

Mr. Edwin Atkinson, in a carefully prepared statement, published in April, 1887, demonstrates that of the total cost of producing medium shirtings, worth $6\frac{1}{4}$ cents a yard, the proportion paid for labor at various stages (on the plantation, in transportation, in factories, etc.) was 92.12 per cent, the remaining portion, 7.88 per cent, being absorbed in interest, insurance, profits, etc. This estimate is confirmed in a striking manner by the following statement of Hon. A. S. Hewitt, made at a hearing before the Committee of Ways and

Means of the House of Representatives, February 21, 1884, the subject under discussion being the percentage of labor cost in the manufacture of iron:

Mr. Hewitt said:

The percentage of labor involved in the production of any given article depends upon where you begin to estimate the percentage. If you begin with a steel-rail mill, which uses pig iron, the labor will be from 25 to 30 per cent. The actual wages paid by a wire mill will amount to about 29 per cent of the cost. If you include labor in the blast furnace, that would make it 60 per cent. But if you go on back to the ore bed, and put in everything which was paid out from the ore bed, the percentage of labor would have been about 90 per cent. I say this because the gentleman (Mr. Thos. G. Sherman, of Brooklyn, N. Y.) proposes to overthrow facts within my knowledge, and for which I pay. I say the amount which I pay out for labor, when I include every particle of raw material beginning at the ground—and I am a miner both of ore and coal—I have never, with all my anxiety to get it down, got it below 90 per cent on the value of the finished product.

Mr. MILLS. What is the finished product?

Mr. HEWITT. Any finished product. I make bar iron.

Mr. MILLS. Is pig iron a finished product?

Mr. HEWITT. The labor in pig iron will be 90 per cent of the cost. It actually takes 90 per cent of the cost of the article for labor when you include everything, from the beginning to the end.

That which is shown to be true by the intelligent testimony of these two eminent tariff reformers in regard to the manufactures of cotton and iron is equally true in regard to every other manufactured product. The adequacy of a rate of duty for defensive purposes can not properly be determined by ascertaining the sum paid for labor in any one of the many operations necessary to transform natural elements into fully manufactured products. The larger earning and greater cost of labor at every stage and in all contributory occupations should be taken into consideration, and the rates should always be equal to the resulting increased cost of production. As all of our people engaged in every occupation contribute to and share in the benefits of profitable production, so all are alike vitally interested in the maintenance of a policy which secures and enlarges the area of national industrial success.

The futility of attempting to adjust rates of duty, levied to equalize foreign and American prices, on the basis of the mathematical relation which these rates bear to that small portion of the labor cost of production which is included in the census tables, is demonstrated by the following illustration:

The labor cost of manufacturing worsted goods, according to the census reports, is 16.23 per cent. The actual relative cost of producing No. 36 worsted yarns in the United States and in England, as shown in detail by some tables submitted to the House of Representatives May 12, 1888, by Hon. William L. Scott, of Pennsylvania, assuming wool to be free from duty in the United States and the cost of wool to be the same in both cases, is 59 cents per pound in England and 90 cents in the United States. It will be seen that to equalize the cost of production between the two countries in this case a duty of 52.54 per cent must be imposed by our tariff. If a duty of 16.23 per cent should be levied, the cost of English yarn laid down in New York, duty paid, would be, say, 69 cents per pound, as against 90 cents cost to the American manufacturer; and American production would cease, unless wages of labor in this and all collateral industries were reduced to the English standard.

The same tables show the relative cost of manufacturing the same number of yarn from a different grade of wool to be 52 cents in England and 80 cents in the United States. In this case a defensive duty of 53.84 per cent would be necessary. Mr. Scott's tables also, it will be observed, prove conclusively the inadequacy of the rate of duty (40 per cent) proposed by the House bill upon worsted manufactures.

We are further assured by our tariff-reform friends that the cost of production of many leading manufactures is not greater in the United States, and in some cases is even less, than in competing countries. The most casual examination of the comparisons upon which these assertions are founded will disclose their unreliable character, as in most instances they are based upon dissimilar articles, produced under entirely different conditions.

The general inaccuracy of the statement that manufactures of cotton, iron, wool, or steel can be produced in this country at an equal or lower cost per unit of quantity than in England, Germany, or France is known to every intelligent observer, and is clearly established by the fact that we import annually \$175,000,000 in value of these manufactures that are successfully sold in competition with our domestic productions after the payment of duties which we are told are exorbitant. In all cases the greater cost of producing the manufactures to the American producer is due to the greater wages or larger earnings of the workmen of this country. The fact that all persons employed in American production—and this includes all who are engaged in useful occupations—receive very much larger sums for their labor, whether the compensation is measured by money or by the necessities and comforts of life, than those who are engaged in similar employment in any other country is now generally admitted.

While revenue reformers are forced to admit the truth of this statement, they claim that the better paid labor in the United States gives to the American manufacturers lower cost of production on account of the greater activity and efficiency of American workmen, and that this condition is the legitimate result of the general economic law that high wages are an unerring indication of low cost of product. To say that greater wages per hour can be paid in America than in Europe for attending the same machinery, running at the same speed an equal number of hours, and turning out the same quantity and kinds of goods, and yet that the cost of production will be lower in America, is to state an absurdity; and yet these are the actual relative conditions which govern the production of a large portion of our manufactures. It is true that the cost of production does not in all cases depend solely upon the sum paid for the wages or earnings of employees. There may be climatic advantages, the more extensive or effective use of machinery, greater skill in superintendence or manipulation, more favorable situation in reference to markets, greater experience, intelligence, vigor, or artistic taste of workmen. When all or most of these advantages exist in a country or community the highest rate of wages is not inconsistent with relatively low cost of production.

In the manufacture of textile fabrics and many other branches of industry it can not be truthfully claimed that we have any considerable advantage in most of the respects named over England, Germany,

France, or Belgium. In these days of fierce competition between all industrial communities the adoption of a new invention or an improvement in methods in one country becomes immediately known in all the others. Practically, the intelligent and successful manufacturers in all these countries use the same machinery and employ substantially the same methods in production. If we should consult English authorities, we would find a general agreement of opinion that English operatives are more efficient than those of any other nation in the world. On this point Mr. J. S. Jeans, in a recent publication, makes the following statement:

On the contrary, there is abundant proof of the fact that in this respect England continues *facile princeps*. The efficiency of English factory labor continues to remain, as it has ever been, unsurpassed. This attribute is established by many conclusive evidences. * * * In the United States, which, after the United Kingdom, is now the greatest cotton-manufacturing country in the world, the increase in the number of spindles per operative has been practically the same in amount as in the United Kingdom; but the average productiveness of the cotton operatives of the United Kingdom, as expressed in the number of spindles used per employee, is 47 per cent greater than the same class of workers in America. In factory operations, moreover, English operatives turn out more work per employee than those of any other country, whether measured by the number of spindles which they tend or by the quantity of yarn they spin.

This view of the relative efficiency of labor in the two countries is not shared by intelligent observers in the United States. It is undoubtedly true that American workingmen and mechanics have greater intelligence, activity, and enterprise, and that these qualities more than offset the advantages of association, surroundings, and the inherited skill of generations which the operatives of Great Britain possess. But it is also true, even with this superior activity and intelligence, and all the other industrial advantages which we may possess, that the cost to the American manufacturer of accomplishing certain equivalent results—say of producing similar yards of cotton or woolen, or pounds of iron—is much greater than to his foreign competitor, owing to the much greater cost here of labor or services in production. The tables submitted by Mr. Scott, and elsewhere referred to, establish the truth of this statement with reference to one industry. We might multiply indefinitely examples in regard to others, showing the greater cost per unit of quantity of the similar articles to American manufacturers, thus enforcing the necessity of adequate protective duties to insure the continued industrial prosperity of the United States.

MANUFACTURERS PROFITS.

It may perhaps be proper in this connection to make an allusion to another fiction extracted from the census reports, which has formed the basis of many tariff-reform arguments in and out of Congress. It has been assumed that the protective policy has enabled the manufacturers of the country to make enormous profits in the prosecution of their business, and that the extent of their net profits could be accurately ascertained from the census tables by deducting the sums reported as paid for materials and labor from the value of the gross product in each case. These net profits are said to vary from 25 to 67 per cent per annum, and from this it is claimed that capital em-

ployed in manufactures is much better rewarded than that employed in agriculture or commerce.

When we consider that the sums returned to the census officials as having been paid for materials and labor do not include the cost of superintendence, administrative labor, insurance, taxes, depreciation of plant, interest, commissions, transportation, losses by bad debts, or other inevitable elements of cost, the worthless character of these statements and any conclusions which may be based upon them is apparent. If the aggregate expenditures for these unenumerated elements of cost should also be deducted from the total value of products the average net profit would be found but little, if any, above the average commercial rate of interest.

Experience in industrial communities has demonstrated the fact that whenever the profits in cotton, woolen, or other branches of manufacture much exceed the customary rate of interest, new establishments are erected, new competition is enlisted, and the normal rate of profit is soon restored.

The census tables contain no statistics which were intended to indicate, or which can possibly be made to show the net profits in any trade or business, and all conclusions based on figures obtained in the manner described are equally unreliable.

If any inference could be drawn from the census tables bearing upon the question whether the protective system has increased or diminished sums paid for labor or the earnings of capital, a comparison should be made between the census of 1880 and 1860. The census of 1860 would show a profit to the cotton manufacturers of 35.6 per cent as against 23.5 per cent in 1880; to the woolen manufacturers of 47.9 per cent in 1860 instead of 38.5 in 1880; and in all the manufacture of iron 30.8 per cent in 1860 instead of 21.1 per cent in 1880. If any value whatever, therefore, could be accorded to this method of ascertaining profits it would be shown that a revenue tariff such as existed in 1860 secured much greater profits to the manufacturer and much smaller remuneration to labor than a protective tariff. It may be safely assumed, however, that this class of statements is made for circulation in communities where there is little or no knowledge of industrial methods and results, and where their falsity and absurdity may not be understood.

WAR TARIFF.

The criticism of our tariff laws which is urged with most pertinacity is based upon the assumption that we are maintaining in time of profound peace a war tariff enacted to provide for the enormous expenditures incurred between 1861 and 1866. It is frequently claimed that the rates which are now imposed are greater even than those which were levied during the war. The chairman of the Committee on Ways and Means, in his opening speech upon the bill now under consideration, said:

The duties on imports were raised from an average of 18.84 per cent in 1861 to an average of 40.29 per cent on dutiable goods during the five years from 1862 to 1866, inclusive. These war taxes still remain, and they are heavier to-day than they were on an average during the five years of the existence of hostilities.

This statement would lead to the inference that an increase of rates of duties upon imports had taken place since the close of the war.

The assurance with which all opponents of the protective system join in a vigorous demand for the repeal of what they choose to call "war-tariff taxes" has created a popular misapprehension as to the nature of the changes which have taken place in our tariff since 1865. The best answer to this demand may be found in a simple recital of facts.

Three important revisions of the tariff have taken place since 1870, viz, by the acts of July 14, 1870, of June 6, 1872, and of March 3, 1883. Minor changes in rates have been made from time to time by other acts.

By the provisions of the act of July 14, 1870, 178 dutiable articles were placed on the free list. These included many crude materials in use by our manufacturers, the produce of foreign countries, which did not come in competition with American products. The rates of duty were reduced upon 50 articles. By the act of June 6, 1872, 213 items were added to the free list, and duties were specifically reduced on 49 articles in addition to those upon which an uniform reduction of 10 per cent was made.

By the act of March 3, 1883, 72 additional articles were placed upon the free list, while the rates were reduced on 427 paragraphs, embracing every schedule and almost every article upon the dutiable list.

In view of the constant misrepresentations which have been made as to the character and extent of the reductions made by the act of March 3, 1883, we have had the following table prepared by a competent expert, showing the percentage of reduction made in rates by that act:

Statement of rates reduced by the act of March 3, 1883.

Number of items reduced.	Percentage of reduction.	Number of items reduced.	Percentage of reduction.
2	10	33	40 to 45
68	10 to 15	3	45 to 50
44	15 to 20	44	50 to 60
50	20 to 25	15	60 to 70
85	25 to 30	7	70 to 80
48	30 to 35	1	80 to 100
27	35 to 40	72	100

Estimated average reduction in rates, 38.5 per cent.

Those who were responsible for this act did not intend that rates should be reduced below the protective point in any case where protection was desirable. But experience has shown that in some cases they were mistaken in judgment. With changed conditions many of the low rates then adopted have proved inadequate.

The revision of March 3, 1883, left the rates upon nearly all articles mentioned in our tariff schedules greatly below those which had been levied prior to July 14, 1870. For instance, the rate on every item in the woolen schedule had been largely reduced. This is also true of every item in the cotton schedule except manufactures of cotton not otherwise provided for. All manufactures of iron and steel, with a few unimportant exceptions, had been changed. All but two of the rates in the earthenware schedule had been amended. The duties upon common window glass had been largely reduced. The chemical schedule had been entirely recast, and great reductions in rates had

taken place. The list of the articles which remain dutiable at rates which were imposed in 1870 includes the agricultural products, a few manufactured articles of minor importance with rates from 20 to 35 per cent, several fancy articles, like perfumery, cosmetics, and artificial flowers, upon which a revenue duty of 50 per cent was laid, and the articles enumerated in the flax, hemp, and jute schedule, upon which the duties have never been protective. As to all the great protected industries, changes in phraseology and radical reductions in rates had been made.

The magnitude of these reductions is best shown by the statement that if the rates of duty imposed by our tariff laws prior to the act of July 14, 1870, had been applied to the importations in 1887, the amount of duties collected in the latter year would have been \$359,629,117.15, or an excess of \$139,596,693.25 above the amount which was actually collected under the provisions of existing law; in other words, if our revenue from customs in 1887 had been collected under the provisions of the war tariff, it would have been 65.65 per cent greater than the amount which was collected. The average ad valorem rate upon all importations of merchandise in 1887, dutiable and free, was 31.13 per cent. If upon these importations war-tariff rates had been levied the average ad valorem rate would have been 51.76 per cent.

These statements would seem to effectually dispose of the claim that our tariff rates are as high or higher now than they were during the war. It is true that the average ad valorem rate levied upon dutiable goods in 1887 was higher than the average ad valorem rate on dutiable goods in the years prior to 1870. This is owing to the unexampled decline in prices which has been going on with increasing rapidity for the past fifteen years. As an illustration of the effect which the lowering of prices has had upon average ad valorem rates when specific duties are levied, the following table is inserted:

Year.	Average ad valorem rate on dutiable imports.	Average rate on all dutiable imports, with sugar dutiable at 45 per cent ad valorem.	Average ad valorem rate on sugar.
1884.....	41.61	39.87	53.95
1885.....	45.86	40.74	73.66
1886.....	45.55	41.13	70.40
1887.....	47.10	38.67	82.40

The third column shows the average ad valorem rates on sugar for the years 1884-1887. During these years no change in rates on sugar took place, and yet we have an apparent increase in rates of 52 per cent in four years. This change was due to the decline in the price of sugar from an average of 3.6 cents per pound in 1884 to 2.7 in 1885, 2.8 in 1886, and 2.5 in 1887. When the present rate of duty on sugar was fixed in 1883 it was equivalent to 45 per cent ad valorem on the unit of value of importations of 1882, which was 4.4 cents per pound. If, instead of imposing an average specific duty of 2 cents a pound, the act of 1883 had imposed upon sugar an ad valorem rate of 45 per cent and all other rates had remained as they are in the act, the result would have been the steadily diminishing average ad valorem rates shown in the second column, instead of the constantly increasing rates

in the first column, which are based on actual importations and existing rates. It is evident that if the prices of merchandise current during the war, or in 1864, for example, had been maintained without diminution, the average ad valorem rate on the importation of 1887 would have been greatly below the lowest average of any year of the war. The enormous decline in the prices of both domestic and foreign products, without any reduction in their relative cost of production, has had the effect to greatly diminish the protection afforded by an equal ad valorem rate of duty.

During the years from 1862 to 1878 the premium on gold in the United States had the effect of increasing the protective barrier. For the purpose of illustrating the rapidly diminishing amount of protection afforded by an uniform rate of duty of 35 per cent ad valorem, maintained from 1864 to 1886, we have prepared the following table:

Year.	Foreign prices of merchandise.		Protection afforded per unit of quantity in each year by an ad valorem duty of 35 per cent.	Ad valorem equivalent in each year of the specific amount of duty imposed in 1886.
	As shown by the Economists' index number.	Equivalent in United States currency.		
				<i>Per cent.</i>
1864.....	172	\$3. 49	\$1. 22	9
1865.....	162	2. 59	.91	12
1866.....	161	2. 27	.79	14
1867.....	137	1. 89	.66	17
1868.....	122	1. 71	.60	19
1869.....	121	1. 61	.56	20
1870.....	122	1. 40	.49	23
1871.....	118	1. 32	.46	24
1872.....	129	1. 44	.50	22
1873.....	134	1. 53	.54	21
1874.....	131	1. 45	.51	22
1875.....	126	1. 45	.51	22
1876.....	123	1. 37	.49	25
1877.....	124	1. 30	.46	25
1878.....	115	1. 16	.41	28
1879.....	100	1. 00	.35	32
1880.....	115	1. 15	.40	28
1881.....	108	1. 08	.38	30
1882.....	111	1. 11	.39	29
1883.....	107	1. 07	.37	30
1884.....	101	1. 01	.35	32
1885.....	95	.95	.33	35
1886.....	92	.92	.32	35

For a standard of foreign values and of the changes which have taken place from year to year in the foreign prices upon which ad valorem duties are levied we have taken the well-known index numbers of the London Economist. These tables, prepared for the purpose of showing the movement of English prices, are widely accepted as authority on this subject. They are based on the annual average of the wholesale prices in England of 22 articles of commercial importance. The average of prices for the years 1845-1850, represented by the number 100, is used as the standard in each case.

We have assumed for this comparison that the index number in the first column represents the value in dollars and cents of some unit of quantity of merchandise imported into the United States. The second column shows the equivalent value of the same unit in each year in United States currency. The third column shows the relative amount of protection on each unit of quantity which would have been afforded

the American producer in each year by an uniform ad valorem rate of 35 per cent. The fourth column shows what the equivalent ad valorem would have been in each year if a specific duty had been levied during the whole period equal to the sum assessed in 1887. It will be noticed that an ad valorem rate of 35 per cent in 1887 furnishes no greater measure of protection than 9 per cent would have afforded in 1864.

There are a number of important changes in business conditions, aside from the decline in prices, which have had the effect to diminish the protection afforded by tariff rates. These are (1) the much greater extent to which undervaluation is now successfully carried on; (2) the much greater facilities afforded our merchants for making foreign purchases, and the much less time required for the delivery of the goods purchased; and (3) the greatly reduced cost of transatlantic transportation. A striking example of the effects of cheapened transportation was furnished by the statement of a large manufacturer before your committee, that merchandise could now be transported and landed on the wharf in New York from Liverpool more cheaply than it could be carted to the same wharf from a factory in Brooklyn.

It is important to take into consideration in connection with the examination of the foregoing table that the relative cost of production in Great Britain and the United States in the years named has not materially changed. The increase of the earnings of labor and the resulting increase in the labor cost of production have been greater in the United States than in England since 1860, and the actual sum required in nearly all cases for the sufficient protection of American labor against foreign competition is greater now than in the past. The accuracy of the statement of the greater increase since 1860 in the earnings of labor in the United States than in Great Britain is shown by the following table, in which we have also included the relative cost of living in the two countries at the time the comparison of wages is made:

Comparison of earnings and cost of living of workmen in Great Britain and the United States in years named.

	Earnings per annum.		Increase, per cent.		Cost of living per annum.		Increase, per cent.
	1860.	1885-86.			1860.	1885-86.	
Great Britain:				Great Britain, for			
For each family <i>a</i>	\$292	\$389	33	each family <i>a</i>	\$308	\$349	13
For each person employed <i>a</i>	184	206	12	United States, for			
United States, for each person employed:				each person.....	124	112	11
Class I <i>c</i>	735	1,242	69				
Class II <i>c</i>	468	720	54				
Class III <i>c</i>	399	540	35				
Class IV <i>c</i>	303	420	39				

a Prof. L. Levi, "Wages and earnings of working classes." For years 1857 and 1884

b Decrease.

c Mr. Edward Atkinson, The Forum, September, 1888, pages 26 to 27.

Class I. Specially skilled men, foremen, overseers, boss blacksmiths, carpenters, etc., customarily earning \$3 to \$5 per day at the present time.

Class II. Average mechanics, engineers, blacksmiths, carpenters, machinists, and painters, connected with establishments reported in Vol. XX of the Census, 1865 to 1880, inclusive.

Class III. All the operatives, except foremen and overseers, in 100 establishments, reporting the wages of their working people under more than 1,200 separate titles: bricks, marble, furniture, agricultural implements, tin-ware, stoves, boots, hats, cars, wagons, flour and saw mills, iron, paper, and textiles, employing men, women, and children from \$20 to 2,000 in each.

Class IV. Laborers, computed separately, connected with above establishments.

It will be noticed that while the increase in average wages has been much greater in the United States than in Great Britain within the period named, the cost of living has increased in Great Britain and decreased in the United States. In view of these facts, it is not strange that the laborers employed in the production of articles subject to low ad valorem rates are vigorously demanding further protection, and it is remarkable that in such cases any successful competition is now possible.

These considerations establish the necessity for a frequent revision of tariff rates if an equal and just protection is to be afforded at all times. If all the rates imposed by our war tariff had been maintained without change, the specific rates would now have been excessive and the ad valorem rates would have been inadequate. As a matter of fact, the specific rates have all, we think without an exception, been largely reduced, and the ad valorem rates have also in many cases been improvidently cut down.

The practical question which we have to solve is not the date when duties were established or the circumstances or promises under which they were levied, but, the desirability of protection being conceded, it is, what rates are proper and adequate under existing conditions?

INTERNAL-REVENUE TAX ON DISTILLED SPIRITS.

Sections 29 to 34, inclusive, and sections 36, 38, and 40 of the House bill, are intended to modify existing laws relating to the tax on distilled spirits. Your committee do not recommend their adoption.

The sections, when taken together, can not be construed by your committee as having any other effect than to open wide the door to fraud in the collection of taxes on distilled spirits. The cost of distilling spirits from grain, without the tax, is not more on an average than 20 to 25 cents per gallon, while the tax on each gallon is 90 cents, or nearly 40 per cent upon the cost of the spirits. This great temptation to fraud led Congress many years ago to pass rigid statutes relating to taxes upon distilled spirits, which are chiefly embodied in chapter 4, title 35, of the Revised Statutes. When enacted they were found absolutely necessary to make it possible to collect the bulk of the tax, as under the laws prior to their passage the frauds were so great as to almost entirely destroy the revenue from this source.

Experience has shown that with all these safeguards it has been exceedingly difficult in some sections of our country to enforce the law against illicit distillation. Notably has this been the case in several States south of the Ohio and Potomac rivers, where large numbers of small distilleries were and still are located, about fourteen hundred in all. It is quite clear to your committee that the general result of the House provisions would be to make it impossible in the future to effectively collect the tax upon distilled spirits, as by these provisions all safeguards against illicit distilling and all the efficient machinery for the detection and punishment of fraud are removed.

It is estimated that with all existing safeguards there are annually produced about 6,000,000 to 8,000,000 gallons that do not pay the tax, and it is notably true that in some of the southern markets spirits are sold at a price little above the amount of the tax. It would seem that if this tax is to be maintained greater restrictions should be provided rather than provisions looking to the relaxation of existing law.

Section 36 of the House bill is the chief section, and the other sections are merely tributary or auxiliary; it amends section 3255 of the Revised Statutes by adding a provision which authorizes the Secretary of the Treasury to exempt distilleries mashing less than 25 bushels of grain per day from the operation of the provisions of the law relating to the manufacture of spirits, and establishes an entirely new principle for the collection of taxes upon spirits produced by them.

The tax is now levied upon the spirits actually produced, whereas this new provision requires that upon the class of distilleries named the tax shall be levied and collected on the capacity of the distilleries, without reference to the amount of spirits actually produced. This is an entirely novel provision in our internal-revenue laws relating to spirits, as from the beginning the aim has been to collect the tax upon the spirits produced. All experience in this and other countries has shown that it is impossible to collect the tax simply upon the capacity of a distillery as is here proposed. This has been tried in Germany and Austria, and both governments were soon forced to abandon the system and annul all contracts with distillers, although these contracts in some cases run for a long period of years, and there, as here, the tax is now collected on the actual product. The tax has been collected on the product for a great number of years in Great Britain, as there, also, it has been found that this is the only safe mode of collecting the tax.

This amendment also provides that such distilleries may be run and operated without storekeepers or storekeepers and gaugers.

The presence of storekeepers or storekeepers and gaugers under existing law is found necessary to make sure that the entire product of the distillery pays the tax; if they are removed the only knowledge the internal-revenue officers can have of the amount produced is the knowledge imparted by the distiller himself, whose interests would be to report the smallest possible production.

The effect of section 3255 thus amended would therefore be to remove from every such distillery all the restraints and safeguards now provided by law against illicit distillation, and this applies to every distillery which has a practical capacity of producing 100 gallons of distilled spirits per day, upon which the daily tax would be \$90. It leaves the distiller without supervision in his work of distillation, with the expectation that he will make honest returns at the end of each month of the amount distilled.

A capacity tax must be based upon an estimate of the amount of spirits which can be obtained from each bushel of grain within a certain fixed time. In practical distillation the best results are secured by mashing each bushel of grain in not less than 40 to 45 gallons of water with a fermenting period of not less than seventy-two hours. But with half the quantity of water and the use of an extra quantity of yeast the grain can be fermented and distilled in twelve hours. The yield per bushel of grain in this case would be much less, but the aggregate quantity of spirits produced daily would greatly exceed that permitted by any reasonable official survey, and this increased amount would of course escape payment of the tax. But if the period should be extended from twelve to twenty-four or thirty-six hours, the capacity, as compared with the measure of the still, would

then be largely increased, and the Government would depend entirely for the collection of its revenue upon the honesty of the distiller.

Each bushel of corn it is estimated produces from $3\frac{1}{2}$ to 4 gallons of proof spirits with a fermenting period of seventy-two hours. With a fermenting period of half that time the yield would probably be three-fourths of this amount. As grain is the chief material used, the small relative cost of which compared with the tax to be paid would enable the distillery to use the grain (which, for the purpose of feeding to stock, loses little of its value) in a wasteful way, so that the temptation to force the fermenting period into twelve or twenty-four or thirty-six hours, and thus double the product of the distillery, would be so great that in most cases its adoption by these small distillers would follow.

This section would afford the opportunity to establish any number of small distilleries of a much less capacity than 25 bushels per day, in out-of-the-way places, in mountain regions, and in houses and cellars, where opportunity of detection would be small, and where, if detected, they would only be required to pay tax on the declared capacity of the distillery.

These small distilleries could be set up at a slight cost, would be portable, and could be removed from place to place easily without detection, and the product of a single week of any one of these small stills would more than pay for the original cost of the apparatus.

From the experience of the Internal Revenue Office for many years it is believed that the tax is now collected upon all spirits distilled in the large distilleries, as in them the safeguards of existing law have proved effectual, and the chief trouble in the administration of the law results from the difficulty of controlling small distilleries and suppressing illicit distilleries in mountain regions and in out-of-the-way places. But for the frauds in the States where these small distilleries most abound the system for the collection of tax on distilled spirits would be regarded as perfect as practicable. These frauds, however, do not probably exceed in the aggregate more than 10 per cent of the entire amount of spirits distilled in the country. It is because of the safeguards alluded to that the tax has yielded so large a revenue.

If the percentage of fraudulent distillation should be measurably increased it would not be long before the large distilleries which now pay a tax upon all the spirits produced would be obliged to abandon the field in competition with small distilleries which would not be required to pay upon anything but the estimate of the amount produced—on the capacity of their stills.

The small distillers have no reason to ask for this legislation if engaged in the honest production of spirits. The cost to them of such production, so far as the Government is concerned, is no greater than to the distilleries of larger capacity, as the cost of supervision through the medium of gaugers, storekeepers, etc., is not paid by them, but out of the Treasury, and there is no reason why any honest distiller, whether his distillery be of large or small capacity, should complain of government supervision, i. e., if he means to pay the tax upon the actual amount of spirits produced.

Whatever may be the strength of public opinion in the States where these small distilleries are numerous, the Government can not afford to relax the efficient and necessary safeguards thrown around the

production of spirits simply for the purpose of relieving these people from proper supervision which compels the payment of the tax. But the effect of section 36 would be not only to open the door for fraud where these small distilleries are now located, but with the temptation of a profit of 400 per cent in favor of successful illicit distillation the small distilleries would soon be found in every State of the Union where either corn or molasses could be easily procured, and the distiller honestly paying his tax, whether small or large, would soon disappear.

It may be said that the section only authorizes the Secretary of the Treasury to exempt such distilleries from the restrictive provisions of the Revised Statutes and that he may refuse these exemptions. But this officer has no discretion; he must levy the tax upon the capacity of the distillery, and this mode of levy would be the primal source of fraud.

But if this section should become a law no Secretary of the Treasury would feel that he had any discretion respecting its other requirements, as they would be no more imperative upon the Secretary if the law should read "the Secretary of the Treasury shall exempt all distilleries," etc. The word "may," here used, is equivalent to a legislative direction to the Secretary of the Treasury as to what he shall do in the case described.

It is an expression of the legislative will that in cases of distilleries mashing less than 25 bushels of grain per day the existing law should not apply with its rigid requirements, but that in such cases the integrity of the distiller should be substituted for the restraints of law applied to distilleries having a larger capacity.

It is true that the elaborate provisions of our internal-revenue laws respecting the punishment for illicit distillation of spirits are rigorous and the fines and penalties in many cases severe, but they are absolutely essential to the enforcement of the law and to the collection of the revenue derived from the distillation of spirits. These laws are respected and obeyed without question by nine-tenths of our people, and in a large portion of our territory. The penalties, though severe, are only for wrongdoing, and it would be extremely unwise to remove the restrictions which operate as a protection to all manufacturers of spirits, who now honestly pay their taxes, for the purpose of placating individuals or localities which, it is well understood, hold all our revenue laws in contempt. If this source of revenue is to be abandoned it should be done openly by a repeal of the statutes rather than by their relaxation to an extent which would ultimately end in this result.

The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, is authorized to make such rules and regulations as may be necessary to carry out the provisions of the section; thus substituting for provisions of the statute restrictive in their nature, which apply to all distillers, the rules and regulations which a Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may choose to make respecting this class. But these rules and regulations must be in accord with the spirit of the section, which is that every restraint of law shall be removed from a distiller who mashes less than 25 bushels of grain per day and must not be in contravention of the novel provision, hitherto unknown in our laws, of making two rules for the collection of the tax, namely:

the capacity rule for one set of distillers and the rule of the amount of spirits produced for another. The injustice of such legislative discrimination need only be stated to be condemned.

Section 36 is supplemented by other provisions intended to shield not only these small distillers but all distillers from the rigorous provisions of existing law.

Section 30 is a complicated section, having the effect to impede any process looking toward the arrest or prosecution of offenders under the internal-revenue laws by providing that no warrant shall issue upon information and belief, except upon the affidavit of collector, or deputy collector, or internal-revenue agent, thus excluding all other revenue officers, such as storekeepers, gaugers, etc., who, by reason of their official positions, may have information and belief which would justify them in making complaint, and no private person can make complaint except the facts are within his own personal knowledge.

It provides, further, that no fee shall be paid to either marshals, clerks, or commissioners unless there be a conviction, or unless the prosecution has been approved either before or after such arrest by the attorney of the United States for the district where the offense is alleged to have been committed, or unless the prosecution was commenced by information or indictment. Thus, in cases of violations of the internal-revenue laws, it would be necessary for a complicated investigation to be gone through with before any such prosecution could be instituted.

It is impossible for internal-revenue agents to hear complaints and thus be able to make affidavit on information and belief, as there are only 20 of them in all, and they are occupied chiefly in the examination of accounts, giving information to officers as to their method of conducting business, etc. Collectors and deputy collectors are engaged in the detail work of their offices and may be at a great distance from the place where the fraud is being committed. The section would require preliminary trial by a collector or deputy collector before a prosecution could be instituted. The marshals, who under the law are required to execute any process presented, are informed in advance that they shall have no pay unless there is a conviction, which necessarily implies that the marshal, before he serves process, must enter into an examination of the probability of a conviction or else discharge his duties without compensation.

Section 34 minimizes the penalty for intentional violation of the internal-revenue laws. This section is a substitute for section 3176 of the Revised Statutes, which provides that if any person refuses or neglects to make any return or list for taxation, as required by law, or who renders a false or fraudulent return or list, the Commissioner of Internal Revenue shall assess the tax, and in case of any return of a false or fraudulent list or valuation, the commissioner shall add 100 per cent to such tax. So that in case of actual fraud, under section 3176 of the Revised Statutes, the penalty is 100 per cent; but in case of a refusal or neglect only, except in cases of sickness or absence, the added penalty is 50 per cent; the penalty in both cases being assessed as a part of the tax.

Section 34 of the bill amends this section of the Revised Statutes by substituting a uniform penalty of 25 per cent, and interest at 10 per cent from the time when such tax is due and payable; that is to say, if an illicit distiller is caught, or if a distiller makes a false and

fraudulent return, instead of 100 per cent penalty as now provided, he is only required to pay a penalty of 25 per cent.

Section 3332 of the Revised Statutes provides that in case a registered distillery, having a producing capacity of less than 150 gallons a day, shall violate the law respecting such distillery, and having been declared forfeited by a judgment of the court for a violation of the internal-revenue laws, such still, etc., shall be destroyed so as to prevent its use for the purpose of distilling. This section of the Revised Statutes is amended by section 38 of the bill so that in case of judgment of forfeiture the seizing officer shall remove such still, etc., to a place of safe storage, where it shall be sold, and that it shall be so removed without mutilation. The reason for the present law was that a distillery of the capacity described in this section, having been detected at one place, could, unless destroyed, be easily removed to another and again begin its operations, as had frequently been done prior to the passage of the law; and it was thought that the destruction of the still was an effectual method of preventing illicit distillation by means of these small distilleries. If the effect of a judgment of forfeiture shall only be to require the seizing officer to carefully preserve and store the still without mutilation, it will soon renew its work in some other convenient locality where the vigilance of revenue officers could, for a time at least, be eluded, as stills of this capacity are portable and easily transferred from one neighborhood to another.

In order that the Commissioner of Internal Revenue might have knowledge of every still manufactured in the country and its location, enabling him thereby to pursue the still from the time of its manufacture until it engaged in the production of spirits to be taxed, section 3244 of the Revised Statutes provides that a manufacturer of stills shall pay an annual tax of \$50, and \$20 for each still or worm for distilling made by him; and section 3265 of the Revised Statutes requires such manufacturer before the same is removed from the place of manufacture to notify the collector of the district in which such still, boiler, or other vessel is to be used or set up, by whom it is to be used, its capacity, and the time when the same is to be removed from the place of manufacture; and also provides that it shall not be set up without the permit of the collector in writing for that purpose. These wholesome provisions, taken together, were intended to prevent persons from manufacturing stills or procuring them from manufacturers without the knowledge of the proper revenue officers of the Government. But section 40 of the proposed bill repeals all laws which impose these special taxes, and thus stills would be manufactured without the knowledge of the office of the Commissioner of Internal Revenue and without opportunity of the revenue officers to know when, where, or how such stills were to be set up and used.

These sections constitute such a modification of our present revenue system, as respects the collection of taxes from distilled spirits, as will make it easy for those disposed to engage in illicit distilling to do so with impunity, and your committee can not but regard these provisions as seriously endangering the efficacy of our entire system of laws which provide for the collection of revenue from distilled spirits.

THE SUBSTITUTE PROPOSED BY THE FINANCE COMMITTEE.

The House bill (H. R. 9051) under consideration was received by your committee July 25, and was immediately referred to the follow-

ing subcommittee: Messrs. Allison, of Iowa, chairman; Aldrich, of Rhode Island; Jones, of Nevada; Hiscock, of New York; Beck, of Kentucky; Harris, of Tennessee, and Voorhees, of Indiana, who reported the same back, September 25, to the full committee, with an amendment in the nature of a substitute, which was adopted by the full committee and reported to the Senate this day by Mr. Allison.

In the preparation of the substitute submitted for the consideration of the Senate, it has been the purpose of your committee to present a measure which would, as far as possible, fulfill the important requirements of revenue revision which we have enumerated. The numerous failures and defects of the House bill rendered the task of amending that bill impossible, and made the preparation of a comprehensive and consistent measure of relief and revision necessary. We submit this substitute to the judgment of the Senate, and invite for it full and careful scrutiny. The time which has elapsed since the House bill reached the Senate has been diligently employed by your committee in a careful investigation of the diverse and important questions involved in a general tariff revision, and in hearing such representatives of the vast number of interests affected by changes in the tariff schedules as could be heard in the limited time at their disposal.

Other interested parties are desirous of being heard, and it is the intention of the committee, with the approval of the Senate, to give such time to further hearings as shall be possible during the period the bill may be under discussion, with a view of eliciting the fullest information, in order that the provisions of the substitute, and of such amendments as shall be suggested, may be acted upon with the greatest degree of intelligence.

The committee estimate that the annual revenues would be reduced by the provisions of the substitute as follows: By the reduction of the duty on sugar, \$27,759,783.95; by adding to the free list the 42 items named in Appendix C, \$6,428,095.56; by the abolition of the internal-revenue taxes on the production or sale of tobacco and the reduction of the tax on cigars, \$24,371,460.98; and by the provisions which allow the use of alcohol in the industrial arts free from tax, \$7,000,000, or a total reduction of \$65,559,340.49.

An estimate has also been carefully prepared (Appendix B) of the effect which the other changes in the tariff schedules would have upon importations and the revenue. If this estimate should prove to be correct, the total reduction in revenue effected by the substitute would be \$73,668,994.30.

In order to obtain the necessary reduction of revenue, the committee have selected such duties or taxes for reduction or repeal as would, while effecting that object, secure the most beneficial results to the masses of our people, and would not disturb or injure any industry or pursuit entitled to protection.

The excessive duty of from 2 to $3\frac{1}{2}$ cents per pound now imposed upon sugar adds a considerable sum to the daily cost of living of every family in the United States, where in most cases the cost of sugar is greater than the cost of bread. The high rates of duty which have been levied upon this important article of food have not successfully developed the sugar-producing industry of the United States. The great natural advantages which the producers of cane sugars in the tropical islands have over those of the United States preclude domestic

competition upon equal terms. If it were not for the fact that parties interested in the production of sugar from sorghum or beets are confident of the rapid development of these industries in the United States, the committee would recommend a still greater reduction in the rate of duty upon sugar, as the advantages of this reduction would be felt through a larger circle than any other which could be made in our tariff schedules.

The articles which are placed on the free list include jute, jute butts, sisal grass, manila, and other crude materials, not produced in this country, whose free admission would benefit both the producers and consumers of manufactures from these materials.

The provisions of the substitute which allow the use of alcohol in the industrial arts free from taxation would prove of great benefit to a large number of important manufacturers. Alcohol is used in the production of more than five hundred chemical and pharmaceutical preparations and in many of the mechanical and industrial arts, and its use in all these directions would be largely extended if the onerous tax should be abolished. The heavy tax upon alcohol unnecessarily increases the price of many manufactured products, with no corresponding benefit, except the resulting revenue, which is now unnecessary.

Your committee have considered numerous suggestions for the repeal of all internal-revenue taxes and the abolition of the entire internal-revenue system, but they deem the adoption of this course at present both impracticable and unwise, not only because the repeal of these taxes would create a large annual deficit, but for the further reason that the taxes levied on distilled spirits used as a beverage and on beer should be retained, and the legislation to protect American dairy products from fraudulent imitations should be enforced.

The proposition for a repeal of all internal-revenue taxes on tobacco is presented in compliance with a universal demand.

The provisions of the carefully prepared bill to prevent undervaluations, heretofore reported from the Committee on Finance and adopted by the Senate, are incorporated in the substitute.

We have inserted a provision intended to prevent the importation of all articles of foreign manufacture when marked or labeled in such a manner as to represent that they were manufactured in the United States.

Section 39 provides that upon the exportation of articles manufactured from dutiable imported materials the entire sum paid for duties on such materials shall be repaid in the form of a drawback.

In the revision of the dutiable schedules and the free list submitted constant effort has been made to correct the inequalities and to eliminate the ambiguities of the existing tariff, and careful attention has been given to the recommendations of the executive officers and to the statements of merchants, manufacturers, and workmen whose business has suffered from admitted defects.

In pursuance of our general plan to lessen the evils of undervaluation; to secure more certainty, uniformity, and equality in the collection of duties, as well as economy in administration, specific or compound rates have been substituted for ad valorem rates wherever practicable, or when the necessary data could be obtained. Whenever changes of this character have been made they have been adjusted upon information obtained from customs experts or from other reliable sources.

It will be observed that all of the tariff schedules have been thoroughly revised, rearranged, and greatly simplified. They have been divided into paragraphs and numbered consecutively in order that in the future amendments may be made to a single paragraph or schedule without a general reenactment of all the schedules, as is now necessary to prevent confusion. The number of paragraphs has been reduced from 495 in the tariff of 1883 to 440 in the substitute submitted.

To secure the proper relation between the rates imposed upon the numerous articles produced in our related and interdependent industries is the most difficult problem of tariff adjustment. The committee have endeavored, in the revision of rates proposed, to accomplish this necessary equalization. Reductions have been made whenever they have seemed desirable, and we have increased rates whenever it seemed necessary to preserve the workingmen engaged in any American industry requiring protection from ruinous or unequal competition.

The present anomalous and inadequate duties on tin and terne plates have received the attention of your committee, who believe that such a readjustment of these rates should be made as would encourage the manufacture of these articles in this country. We have not, however, up to this time been able to obtain the definite information upon which to base a recommendation for an increase of rates upon the gauges which could now or might in the near future be produced in this country if protection were afforded; but as soon as the requisite information can be obtained we shall offer an amendment for this purpose.

We also, if found necessary after further examination, reserve the privilege of suggesting amendments to other paragraphs.

In all the numerous changes suggested your committee have had constantly in view the preparation of a consistent measure whose beneficent influences would be felt in every section and by every class of our people, which would give greater diversity to our industries, and by strengthening and invigorating the American system of protection secure the harmonious development and prosperity of agriculture, manufactures, and commerce.

The differences between the House bill and the substitute reported by your committee are fundamental. The House bill has been formulated on the theory that a diminution of revenues can only be secured by a reduction or repeal of protective duties, and that tariff revision means simply that indiscriminate cutting down of rates which encourages importations, benefits foreign manufacturers, and produces free trade.

The substitute proposes to reduce revenues and at the same time to preserve the American system. It is based upon the idea that tariff revision implies an equitable readjustment of duties in the interest and for the benefit of the people of the United States, and in the distribution of rates its framers have not hesitated to erect or to maintain defensive barriers which would carry confidence and comfort into American homes.

The committee express regret that through severe illness they have been deprived of the mature judgment and counsel of the chairman of the Finance Committee, Justin S. Morrill, of Vermont, the author of the tariff bill of 1862, which formed the basis of our present protective system.

APPENDICES.

APPENDIX A.

SPECIFIC DUTIES.

In 1795 Secretary Hamilton reports to the House of Representatives that, by existing laws, about one-third of the duties was derived from articles rated *ad valorem*, and adds:

"In other nations, where this branch of revenue, as with us, is of principal or very considerable consequence, and where no peculiarity of situation has tended to keep the duty low, experience has led to contract more and more the number of articles rated *ad valorem*, and, of course, to extend the number of those rated specifically—that is, according to weight, measure, or other rules of quantity. The reason of this is obvious; it is to guard against evasions, which infallibly happens in a greater or less degree when duties are high. * * * It is needless to repeat that this will contribute as much to the interest of the fair trader as to that of the revenue.

"It is believed that in our system the method of rating *ad valorem* could, with convenience, be brought within a much narrower compass, and it is evident that to do so will contribute materially to the security of the revenue." (American State Papers, Finance, vol. 1, p. 348.)

Secretary Gallatin, reporting to the Senate in 1801, said:

"In order to guard as far as possible against the value of goods being underrated in the invoices, it would be eligible to lay specific duties on all such articles now paying duties *ad valorem* as may be susceptible of that alteration." (American State Papers, Finance, vol. 1, p. 702.)

Secretary Dallas, reporting to the House of Representatives in 1816, says:

"Articles imported to a great amount should rather be charged with specific duties upon their weight and measure, in order to guard against evasions and frauds, than with *ad valorem* duties on their value." (American State Papers, Finance, vol. 3, p. 91.)

Secretary Crawford, in 1817, in the report concerning revision of the revenue laws already referred to, calls attention to the subject of frauds, particularly in the importation of articles upon consignment paying *ad valorem* duties, and recommends a series of remedial provisions, which are mainly applicable to importations subjected to *ad valorem* duty, to which he adds:

"Whatever may be the reliance which ought to be placed in the efficacy of the foregoing provisions, it is certainly prudent to diminish as far as practicable the list of articles paying *ad valorem* duties," and submits a list of one hundred and twenty-four enumerations to be transferred to the class of specifics. In 1819 he submitted a further list. (American State Papers, Finance, vol. 3, pp. 236, 415.)

Secretary Meredith, in his report of December 3, 1849, says:

"I propose a return to the system of specific duties on articles on which they can be conveniently laid. The effects of the present *ad valorem* system are twofold, viz, on the revenue and on our own productions. Experience has, I think, demonstrated that, looking exclusively to the revenue, a specific duty is more easily assessed, more favorable to commerce, more equal, and less exposed to frauds than any other system. Of course such a duty is not laid without reference to the average cost of the commodity. This system obviates the difficulties and controversies which attend an appraisement of the foreign market value of each invoice, and it imposes an equal duty on equal quantities of the same commodity. Under the *ad valorem* system goods of the same kind and quality, and between which there can not be a difference in value in the same market at any given time, nevertheless may often pay different amounts of duty. Thus the hazards of trade are unnecessarily increased.

"To levy an ad valorem duty on foreign valuation equably at the different ports is believed to be impossible. That the standard of value at any two ports is precisely the same at any given time is wholly improbable. The facilities afforded to frauds upon the revenue are very great, and it is apprehended that such frauds have been and are habitually and extensively practiced. The statements annexed (marked O), to which I invite special attention, exhibit in a strong light the dangers to which this system is necessarily exposed.

"As the standard of value at every port must at last depend upon the average of the invoices that are passed there, every successful attempt at undervaluation renders more easy all that follow it. The consequences are, not only that the revenue suffers, that a certain sum is in effect annually given by the public among dishonest importers as a premium for their dishonesty, but that fair American importers may be gradually driven out of the business and their places supplied by unknown and unscrupulous foreign adventurers."

The adoption of specific duties has been uniformly favored by the executive officer of the Government, and has been specially recommended by a number of the Secretaries of the Treasury in recent years.

Secretary Bristow, in his annual report for 1876, in commenting upon the administration of the customs revenue, said:

"Another remedy, and the most effective which could be adopted for correcting the evils of the appraisement system, is the substitution, so far as practicable, of specific for ad valorem duties. This change would work a great reduction in the amount of labor requiring the knowledge of experts. The entire process of ascertaining duties would be more simple, certain, and safe. Opportunities for collusive undervaluation would be greatly lessened, and if errors were committed they could not, as to specific rates and amounts, be accounted for except upon the supposition of culpable negligence or actual fraud; whereas, in respect to ad valorem duties, an error of judgment may readily be assigned as a sufficient explanation.

"Such change, either with or without a decrease in the number of dutiable articles, would insure a very considerable reduction of the force at the chief ports, with a consequent diminution of expenses."

Secretary Sherman, in his report to Congress for 1878, made the following suggestions with respect to specific duties:

"While not recommending a general revision of the tariff at the present time, it is deemed important that upon some articles the ad valorem duties now assessed should be converted into specific duties. As a rule, specific duties are to be preferred to either ad valorem or compound rates, and in any future revision of the tariff it is hoped that Congress will give preference to this system of imposing duties as far as practicable. The argument in favor of specific duties applies with great force to kid gloves, concerning the value of which, under the present ad valorem duties, serious differences of opinion have occurred between the importers and the Government during the past year, which have led to protracted delays in the ascertainment of the dutiable value, and consequent injury to the mercantile community."

In his report on the collection of duties for 1885 the late Secretary Manning said:

"In a system of ad valorem rates there are two critical points: One is dutiable value and the other is rate of duty. The present rate of duty on certain silk goods is 50 per cent of the market value at the time of exportation in the principal markets of the country, or what is equivalent to one-half of the importation. If the law were so administered by the Treasury Department that on the importation of one importer 50 per cent was levied, and on the importation of another importer 40 per cent, and on that of another importer 30 per cent there would be a general outcry. So there would be if an importer at New York was required to pay only 30 per cent and if of another at Buffalo was demanded 40 per cent and of another at Chicago was required 50 per cent. But none the less illegal and intolerable result would follow if the dutiable value on one importation were fixed at \$100, on another, by the same vessel, at \$80, and on another, by the same vessel, at \$60, the merchandise in all of the three being similar. If importers can illegally control dutiable values, they can control the amount of duties paid on the merchandise, although the ad valorem rate may be fixed and uniform for everybody and every port in the country.

* * * * *

"I do not make a recommendation to Congress for the restoration of the 'old moiety system' and the statutory inducement to informers, or the law concerning intent and burden of proof, which existed from 1799 to 1874. And I do

not so recommend for the reason that the purpose of the House and Senate, in respect to the simplification of the rates of duty and a prudent enlargement of the application of specific rates, is necessarily unknown. Should some such last-named change be not made, I have little faith that the existing power of the Executive and of the courts will be adequate to secure honest invoices and full appraisement."

* * * * *

"The following extracts from the report of Mr. Forward, made nearly half a century ago, are instructive now, by way of showing his appreciation of the relation between ad valorem and specific rates, and the light in which foreign manufacturers sending their goods to this country on consignment were then regarded:

"With a view to guard the revenue against fraudulent undervaluations which can not be entirely prevented by the existing scheme of ad valorem duties, specific duties are proposed in nearly all cases when practicable. The operation of the system of specific duties may not be perfectly equal in all cases, in respect to the value of the articles included under it. But this inconvenience is more than compensated by the security of the revenue against evasions, and by the tendency of specific duties to exclude worthless and inferior articles, by which purchasers and consumers are often imposed on."

* * * * *

"One advantage, and perhaps the chief advantage, of a specific over an ad valorem system is in the fact that, under the former, duties are levied by a positive test, which can be applied by our officers while the merchandise is in the possession of the Government, and according to a standard which is altogether national and domestic. That would be partially true of an ad valorem system levied upon 'home value,' but there are constitutional impediments in the way of such a system which appear to be insuperable. But under an ad valorem system the facts to which the ad valorem rate is to be applied must be gathered in places many thousand miles away, and under circumstances most unfavorable to the administration of justice."

The present Secretary of the Treasury, in that portion of his last annual report relating to the administration of the customs laws, used the following language:

"Whatever the rates of customs taxation may be, the laws for the collection of the same should be made as efficient as possible. In this the bona-fide importer, who wishes to gain only the legitimate profits of his business, the home manufacturer, and laborer are equally interested. They all have a right to demand that the laws be so administered as to give them every possible protection in their business. The high ad valorem tariff of the last quarter of a century has been the fruitful cause of devices to gain improper advantage at the custom-house. It is, therefore, desirable that in revising and reducing rates of duty they should be made specific instead of ad valorem so far as the nature of the merchandise will admit. Theoretically considered, ad valorem are preferable to specific duties; but in practice, under such rates as we have had and must continue to have for years to come, the former are the too-easy source of deception and inequality at the custom-house. Congress has it in its power to change, from time to time, as may be advisable, specific rates so as to meet any permanent changes in values."

APPENDIX B.

Estimates of imports and duties by provisions of Senate substitute to H. R. 9051.

	Importations, fiscal year 1887.		Estimated imports under the proposed bill.		Estimated decrease of duty by the proposed bill.	Average ad valorem rate of duty.	
	Values.	Duties.	Values.	Duties.		Present law.	Proposed bill.
A. Chemical products.....	\$15,123,113.72	\$4,655,375.27	\$14,751,699.54	\$4,383,074.79	\$272,300.48	30.78	29.70
B. Earthenware and glassware.....	13,055,763.49	7,583,983.97	13,042,454.73	7,308,270.25	275,033.72	58.09	56.03
C. Metals.....	57,784,719.42	23,090,797.67	51,402,136.87	21,376,064.68	1,714,132.99	39.96	41.58
D. Wood and wooden ware.....	8,274,012.16	1,518,723.09	8,061,909.70	1,513,440.16	5,282.93	18.35	18.77
E. Sugar.....	68,956,335.07	56,530,360.14	68,924,968.35	28,770,576.19	27,759,783.95	83.43	41.02
F. Tobacco.....	10,955,125.03	9,127,758.26	10,738,454.24	6,856,875.68	2,270,882.58	83.82	63.85
G. Provisions, etc.....	42,693,244.97	11,048,754.66	38,596,588.35	9,040,908.68	2,007,845.98	25.94	26.91
H. Wines, liquors, etc.....	10,367,592.40	7,081,031.53	9,761,316.47	7,586,442.73	94,588.80	73.94	77.72
I. Cotton manufactures.....	30,207,908.83	12,081,283.03	29,664,007.64	12,049,295.48	31,967.55	40.00	40.59
J. Flax, hemp, and jute.....	24,791,662.08	7,868,605.78	24,030,013.17	7,682,125.73	186,480.05	31.74	31.97
K. Wool and manufactures of wool.....	60,586,613.61	35,629,534.13	53,658,583.84	34,642,732.88	986,801.25	58.81	64.56
L. Silk and silk goods.....	31,264,276.58	15,540,300.70	30,340,689.80	15,447,942.94	92,357.76	48.71	50.92
M. Books, papers, etc.....	5,212,152.54	1,154,619.13	4,751,274.82	1,113,825.58	40,793.55	22.15	23.44
N. Sundries.....	44,008,079.14	10,810,310.37	43,629,620.50	10,679,774.20	130,536.17	24.56	24.47
Articles, not enumerated—dutiable under section 2513, Revised Statutes:							
Unmanufactured.....	305,545.78	30,554.61	305,545.78	30,554.61	-----	10.00	10.00
Manufactured.....	564,001.70	112,800.34	564,001.70	112,800.34	-----	20.00	20.00
Packages, crates, boxes, etc., designed to evade duty.....	12,340.96	12,340.96	12,340.96	12,340.96	-----	100.00	100.00
	424,082,487.48	204,477,083.64	397,236,606.46	168,607,645.88	35,869,437.76	48.21	42.45

APPENDIX C.

ADDITIONS TO FREE LIST BY PROPOSED SENATE SUBSTITUTE.

Acorns, raw, dried or undried, but unground.	All other textile grasses or fibrous substances unmanufactured or undressed.
Baryta, sulphate of; or barytes, unmanufactured.	Floor matting, known as Chinese matting.
Beeswax.	Grease and oils, such as are commonly used in soap making or wire drawing, etc.
Books and pamphlets printed exclusively in languages other than English.	Human hair, raw, uncleaned and not drawn.
Braids, plaits, flats, laces, etc., for ornamenting hats, etc.	Mineral waters, not specially enumerated.
Bristles, raw or unmanufactured.	Molasses, testing not above 56 degrees.
Bulbs and bulbous roots, not edible.	Olive oil, for manufacturing or mechanical purposes.
Chicory root, raw, dried or undried, but unground.	Nut oil, or oil of nuts.
Coal, slack or culm.	Opium, crude or unmanufactured.
Coal tar, crude.	Potash, crude carbonate.
Curling-stone handles.	Potash, caustic or hydrate.
Currants, Zante or other, dried.	Potash, nitrate of, or saltpeter.
Dandelion roots, raw, dried or undried, but unground.	Potash, sulphate of.
Eggs' yolks.	Potash, chlorate of.
Feathers and downs of all kinds, crude and unmanufactured.	Rags, all not enumerated.
Jute.	Hemp seed.
Jute butts.	Rape seed.
Manila.	Sponges.
Ramie.	Sand.
Sisal grass.	Tar and pitch, of wood.
Sunn.	Turpentine, spirits of.

APPENDIX D.

United States production and consumption of cereals.

Year.	Production of cereals.		Area of cereal crops.	Products of cereals, per acre.	Home consumption of cereals.		Exports of cereals.	Exports (per cent- age of pro- duction).
	Bushels.	Per capita.			Bushels.	Per capita.		
1840.....	615,525,302	36.0	Acres. (a) (a)	Bushels. (a) (a)	602,326,353	Bushels. 35.3 36.7 38.7	Bushels.
1850.....	867,433,967	37.4						
1860.....	1,239,039,945	39.4						
1870.....	1,629,027,600	42.2						
1871.....	1,528,776,100	38.5	Acres. (a) (a)	Bushels. (a) (a)	1,464,956,527	40.8	57,230,521	3.5
1872.....	1,664,331,600	40.7						
1873.....	1,538,892,891	36.6						
1874.....	1,455,180,200	33.7						
1875.....	1,563,241,678	38.3						
Average, 1870-1874.....	2,032,235,300	45.9						
1876.....	1,962,822,100	43.4	Acres. (a) (a)	Bushels. (a) (a)	1,938,444,494	43.6	108,790,806	5.1
1877.....	2,178,934,646	47.0						
1878.....	2,302,254,950	48.6						
1879.....	2,437,482,300	50.2						
Average, 1875-1879.....	2,182,745,859	47.0						
1880.....	2,718,193,501	54.3	Acres. (a) (a)	Bushels. (a) (a)	2,433,485,593	48.6	284,707,908	10.4
1881.....	2,066,029,570	39.8						
1882.....	2,690,324,496	50.3						
1883.....	2,620,319,083	47.6						
1884.....	2,992,880,000	52.6						
Average, 1880-1884.....	2,621,163,331	48.9						
Average, 1870-1884.....	2,122,338,956	45.2	Acres. (a) (a)	Bushels. (a) (a)	1,965,930,665	41.9	156,452,964	7.4
1885.....	3,015,433,000	51.4						
1886.....	2,842,573,000	47.1						

a Estimated.

APPENDIX E.

Comparative statement by census report of 1880 of articles of domestic production, by sections, affected by tariff changes in the bill H. R. 9051, as it passed the House of Representatives.

Article.	Cotton States.	Other States.
Jute manufactures.....	None.	\$696,982
Dye-wood extracts.....	None.	5,253,038
Chocolate (cocoa).....	None.	1,302,153
Grindstones.....	None.	184,555
Battan and whalebone.....	None.	526,777
Glass manufactures.....	None.	21,154,571
Ink.....	None.	1,629,413
Oilcloths.....	None.	5,844,587
Files.....	None.	2,486,533
Nails and spikes.....	None.	5,629,240
Needles and pins.....	None.	1,378,023
Steam fittings and heating apparatus.....	None.	5,127,840
Ivory and bone work.....	None.	1,454,901
Straw goods.....	None.	9,345,759
Toys and games.....	None.	1,502,513
Blacking.....	None.	1,491,474
Lead, bar, pipes, sheets, etc.....	None.	5,600,671
Slate mantels, marble mantels, etc.....	None.	1,030,660
Castor oil.....	None.	653,900
Scales and balances.....	None.	3,252,460
Sewing machines and attachments.....	None.	13,863,188
Steel springs.....	None.	3,654,862
Stamped ware.....	None.	3,512,423
Bags.....	\$91,300	9,635,300
Salt.....	213,538	4,616,028
Soap and candles.....	291,935	26,260,792
Stone and earthen ware.....	129,702	7,814,027
Confectionery.....	1,756,361	23,880,672
Brushes and brooms.....	288,328	10,272,527
Iron work, architectural.....	25,250	2,084,287
Foundry and machine-shop products.....	7,091,959	207,286,509
Manufactures of wool of all kinds.....	1,800,873	265,452,040
Planed lumber.....	2,096,385	34,706,971
Brick and tile.....	2,644,595	30,188,992
Marble and stone work.....	803,310	30,611,840
Paints.....	19,330	23,371,337
Type founding.....	10,000	2,220,298
Starch.....	6,000	7,471,742
Cordage and twine.....	24,000	12,468,171
Paper manufactures.....	645,547	48,454,367
Hats and caps not wool.....	6,300	21,296,807
Instruments, professional and scientific.....	37,900	1,601,194
Wire and wire work.....	10,200	19,954,423
Tallow and grease.....	194,105	13,535,908
Beans.....	230,370	2,844,680
Baking and yeast powders.....	38,500	4,722,098
Book binding and blank-book making.....	159,369	11,817,395
Boxes, fancy and paper.....	262,038	7,403,515
Brass castings.....	28,200	10,780,542
Carriages, wagons, etc.....	4,278,292	100,463,044
Coffee and spices, roasted and ground.....	451,201	22,473,693
Drugs and chemicals.....	599,607	38,374,051
Furniture.....	1,960,680	75,885,045
Hardware.....	8,900	22,644,793
Iron bolts, washers, nuts, etc.....	240,000	9,833,330
Kaolin and ground earth.....	69,795	1,385,962
Linseed oil.....	700	15,393,112
Neat's-foot oil.....	500	258,586
Patent medicines and compounds.....	409,932	14,273,562
Tin ware, copper ware, and sheet-iron ware.....	2,862,505	45,233,533
Tools, not cutlery.....	600	4,235,968
Wooden ware.....	338,350	4,897,124
Total.....	30,126,457	1,196,104,265
Cotton manufactures.....	15,938,712	176,151,398
Wool.....	15,786,767	139,894,984
Sawed lumber.....	30,018,858	203,249,871
Total.....	61,744,337	519,296,253
Grand total.....	91,870,794	1,715,400,518

APPENDIX F.

PARAGRAPHS OF DOUBTFUL INTERPRETATION IN HOUSE BILL
(H. R. 9051).

[Compared with text of present law.]

PRESENT LAW.

CHEMICALS.

All preparations of coal-tar, not colors or dyes, not specially enumerated or provided for in this act, twenty per centum ad valorem.

All coal-tar colors or dyes, by whatever name known and not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

All barks, beans, berries, balsams, buds, bulbs, and bulbous roots, and excrescences, such as nutgalls, fruits, flowers, dried fibers, grains, gums, and gum resins, herbs, leaves, lichens, mosses, nuts, roots and stems, spices, vegetables, seeds (aromatic, not garden seeds), and seeds of morbid growth, weeds, woods used expressly for dyeing, and dried insects, any of the foregoing of which are not edible, but which have been advanced in value or condition by refining or grinding, or by other process of manufacture, and not specially enumerated or provided for in this act, ten per centum ad valorem.

Opium, crude, containing nine per cent. and over of morphia, one dollar per pound. The importation of opium, containing less than nine per cent. morphia is hereby prohibited.

EARTHENWARE AND GLASSWARE.

Brown earthenware, common stoneware, gas-retorts, and stoneware not ornamented, twenty-five per centum ad valorem.

China, porcelain, parian, and bisque, earthen, stone, and crockery ware including plaques, ornaments, charms, vases, and statuettes, painted, printed, or gilded, or otherwise decorated or ornamented in any manner, sixty per centum ad valorem.

China, porcelain, parian, and bisque ware, plain white, and not ornamented or decorated in any manner, fifty-five per centum ad valorem.

H. R. 9051.

CHEMICALS.

All preparations of coal-tar not colors or dyes, and not acids of colors and dyes. Free list.

Aniline oil and its homologues. Free.

All barks, beans, berries, balsams, buds, bulbs, bulbous roots, and excrescences, such as nutgalls, fruits, flowers, dried fibers, grains, gums, and gum resins, herbs, leaves, lichens, mosses, nuts, roots, and stems, vegetables, seeds, and seeds of morbid growth, weeds, woods used expressly for dyeing, and dried insects, any of the foregoing which are not edible and not specially enumerated or provided for. Free list.

Opium, crude, and not adulterated, containing nine per centum and over of morphia, for medicinal purposes. Free list.

EARTHENWARE AND GLASSWARE.

Brown earthenware, common stoneware, gas-retorts, and roofing tiles not specially enumerated or provided for, and not decorated in any manner, twenty per centum ad valorem.

China, porcelain, parian, and bisque, earthen, stone, or crockery ware composed of earthy or mineral substance, including plaques, ornaments, charms, vases, and statuettes, painted, printed, enameled or gilded, or otherwise decorated in any manner, fifty per centum ad valorem.

China, porcelain, parian, and bisque ware not decorated in any manner, forty per centum ad valorem.

White granite, common ware, plain white or cream-colored, lustered or printed under glaze in a single color; sponged, dipped, or edged ware, thirty-five per centum ad valorem.

All other earthen, stone, and crockery ware, white, glazed, or edged, composed of earthy or mineral substances, not specially enumerated or provided for in this act, fifty-five per centum ad valorem.

Encaustic tiles, thirty-five per centum ad valorem.

Brick, fire-brick, and roofing and paving tile, not specially enumerated or provided for in this act, twenty per centum ad valorem.

Green and colored glass bottles, vials, demijohns, and carboys (covered or uncovered), pickle or preserve jars, and other plain, molded, or pressed green and colored bottle glass, not cut, engraved, or painted, and not specially enumerated or provided for in this act, one cent per pound; if filled, and not otherwise in this act provided for, said articles shall pay thirty per centum ad valorem in addition to the duty on the contents.

METALS.

Provided further, That all iron bars, blooms, billets, or sizes or shapes of any kind, in the manufacture of which charcoal is used as fuel, shall be subject to a duty of twenty-two dollars per ton.

Sheet iron, common or black, thinner than one inch and one-half and not thinner than number twenty wire gauge, one and one-tenth of one cent per pound.

Provided, That on all such iron and steel sheets or plates aforesaid, excepting on what are known commercially as tin-plates, terne-plates, and taggers tin, and hereafter provided for, when galvanized or coated with zinc or spelter, or other metals or any alloy of those metals, three-fourths of one cent per pound additional.

All other earthen, stone, and crockery ware, white, colored, or bisque, composed of earthy or mineral substances, not specially enumerated or provided for in this act, and not decorated in any manner, thirty-five per centum ad valorem.

Encaustic tiles, not glazed or enameled, thirty per centum ad valorem.

All glazed or enameled tiles, forty-five per centum ad valorem.

Brick other than fire-brick. Free list.

Paving tiles, not encaustic, twenty per centum ad valorem.

Green and colored glass bottles, vials, demijohns, and carboys (covered or uncovered), pickle or preserve jars, and other plain, molded, or pressed green and colored bottle glass, not cut, engraved, or painted, and not specially enumerated or provided for, one cent per pound; if filled, and not otherwise provided for, and the contents are subject to an ad valorem duty, or to a rate of duty based on their value, the value of such bottles, vials, or other vessels shall be added to the value of the contents for the ascertainment of the dutiable value of the latter; but if filled, and not otherwise provided for, and the contents are not subject to an ad valorem duty or to a rate of duty based on their value, they shall pay a duty of one cent per pound in addition to the duty, if any, on their contents.

METALS.

Provided further, That all iron bars, blooms, billets, or sizes or shapes of any kind, in the manufacture of which charcoal is used as fuel, shall be subject to a duty of not less than twenty dollars per ton.

Sheet iron, common or black, thinner than one inch and not thinner than number twenty wire gauge, one cent per pound.

Provided, That on all such iron and steel sheets or plates aforesaid, excepting on what are known commercially as tin-plates, terne-plates, and taggers tin, when galvanized or coated with zinc or spelter or other metals, or any alloy of those metals, one-fourth of one cent per pound additional when not thinner than number twenty wire gauge; thinner than number twenty wire gauge and not thinner than number twenty-five wire

gauge one-half cent per pound additional, and when thinner than twenty-five wire gauge, three-fourths of one cent per pound additional.

Iron or steel sheets, or plates, or taggers iron coated with tin or lead, or with a mixture of which these metals is a component part, by the dipping or any other process, and commercially known as tin-plates, terne-plates, and taggers tin, one cent per pound; corrugated or crimped sheet iron or steel, one and four-tenths of one cent per pound.

Iron and steel cotton-ties, or hoops for bailing purposes, not thinner than number twenty wire gauge, thirty-five per centum ad valorem.

Boiler-tubes, or flues, or stays, of wrought iron or steel, three cents per pound.

Other wrought iron or steel tubes or pipes two and one-quarter cents per pound.

Provided, That iron or steel wire covered with cotton, silk, or other material, and wire commonly known as crinoline, corset, and hat wire, shall pay four cents per pound in addition to the foregoing rates: *And provided further*, That no article made from iron or steel wire, or of which iron or steel wire is a component part of chief value, shall pay a less rate of duty than the iron or steel wire from which it is made either wholly or in part: *And provided further*, That iron or steel wire-cloths, and iron or steel wire-nettings, made in meshes of any form, shall pay a duty equal in amount to that imposed on iron or steel wire of the same gauge, and two cents per pound in addition thereto. There shall be paid on galvanized iron or steel wire (except fence wire), one-half of one cent per pound in addition to the rate imposed on the wire of which it is made. On iron wire rope and wire strand, one cent per pound in addition to the rates imposed on the wire of which it is made. On steel wire rope and wire strand, two cents per pound in addition to the rates imposed on the wire of which it is made.

All non-dutiable crude minerals, but which have been advanced in value or condition by refining or grinding, or by other process of manufacture, not specially enumerated or provided for.

Iron or steel sheets, or plates, or taggers iron, coated with tin or lead, or with a mixture of which these metals is a component part, by the dipping or any other process, and commercially known as tin-plates, terne-plates, and taggers tin. Free list.

Iron and steel cotton-ties or hoops for baling or other purposes, not thinner than number twenty wire gauge. Free list.

Boiler tubes, or other tubes, or flues, or stays, of wrought iron or steel, one and one-half cents per pound.

Iron and steel wire and iron and steel wire galvanized, and all manufactures of iron and steel wire and of iron and steel wire galvanized shall pay the duties now provided by law: *Provided*, That no such duty shall be in excess of sixty per centum ad valorem.

Clippings from new copper and all composition metal of which copper is a component material of chief value not specially enumerated or provided for in this act, three cents per pound; copper in plates, bars, ingots, Chili or other pigs, and in other forms, not manufactured, or enumerated in this act, four cents per pound; in rolled plates, called braziers' copper, sheets, rods, pipes, and copper bottoms, and all manufactures of copper, or of which copper shall be a component of chief value, not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

Nickel, in ore, matte, or other crude form not ready for consumption in the arts, fifteen cents per pound on the nickel contained therein.

Nickel, nickel oxide, alloy of any kind in which nickel is the element of chief value, fifteen cents per pound.

Sheathing, or yellow metal, not wholly of copper, nor wholly nor in part of iron, ungalvanized, in sheets, forty-eight inches long and fourteen inches wide, and weighing from fourteen to thirty-four ounces per square foot, thirty-five per centum ad valorem.

Manufactures, articles, or wares, not specially enumerated or provided for in this act, composed wholly or in part of iron, steel, copper, lead, nickel, pewter, tin, zinc, gold, silver, platinum, or any other metal, and whether partly or wholly manufactured, forty-five per centum ad valorem.

Clippings from new copper fit only for remanufacture, one cent per pound.

Copper, in plates, bars, ingots, Chili or other pigs, and in other forms, not manufactured, two cents per pound; in rolled plates, called braziers' copper, sheets, rods, pipes, and copper bottoms, thirty per centum ad valorem.

Nickel in ore or matte, ten cents per pound on the nickel contained therein.

Sheathing, or yellow metal, thirty per centum ad valorem.

Manufactures, articles, or wares, not specially enumerated or provided for, composed wholly or in part of copper, thirty-five per centum ad valorem; manufactures, articles, or wares not specially enumerated or provided for, composed of iron, steel, lead, nickel, pewter, tin, zinc, gold, silver, platinum, or any other metal, or of which any of the foregoing metals may be the component material of chief value, and whether partly or wholly manufactured, forty per centum ad valorem.

Machinery designed for the conversion of jute or jute butts into cotton bagging, to wit, cards, roving frames, winding frames, and softeners. Free list.

WOOD.

Timber, squared or sided, not specially enumerated or provided for in this act, one cent per cubic foot.

Sawed boards, plank, deals, and other lumber of hemlock, white-wood, sycamore, and bass-wood, one dollar per one thousand feet, board measure; all other articles of sawed lumber, two dollars per one thousand feet, board measure. But when lumber of any sort is planed or finished, in addition

WOOD.

Timber, squared or sided. Free list.

Sawed boards, planks, deals, and all other articles of sawed lumber. Free list.

to the rates herein provided, there shall be levied and paid for each side so planed or finished, fifty cents per one thousand feet, board measure. And if planed on one side and tongued and grooved, one dollar per one thousand feet, board measure. And if planed on two sides, and tongued and grooved, one dollar and fifty cents per one thousand feet, board measure.

SUGAR.

All other confectionery, not specially enumerated or provided for in this act, made wholly or in part of sugar, and on sugars after being refined, when tintured, colored, or in any way adulterated, valued at thirty cents per pound or less ten cents per pound.

Confectionery valued above thirty cents per pound, or when sold by the box, package, or otherwise than by the pound, fifty per centum ad valorem.

PROVISIONS.

Rice, cleaned, two and one-fourth cents per pound; uncleaned, one and one-half cents per pound.

Paddy, one and one-fourth cents per pound.

Beef and pork, ham and bacon.

COTTON MANUFACTURES.

All manufactures of cotton, not specially enumerated or provided for in this act, and corsets, of whatever material composed, thirty-five per centum ad valorem.

FLAX, HEMP, AND JUTE.

Sunn, sisal-grass, and other vegetable substances, not specially enumerated or provided for in this act, fifteen dollars per ton.

Brown and bleached linens, ducks, canvas, paddings, cot bottoms, diapers, crash, huckabacks, handkerchiefs, lawns, and other manufactures of flax, jute or hemp, or of which flax, jute, or hemp shall be the component material of chief value, not specially enumerated, not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

SUGAR.

All other confectionery, forty per centum ad valorem.

PROVISIONS.

Rice, cleaned, two cents per pound; uncleaned, or rice free of the outer hull, and still having the inner cuticle on, one and one-quarter cents per pound.

Paddy, or rice having the outer hull on, one cent per pound.

Meat, game, and poultry free.

COTTON MANUFACTURES.

On all cotton cloth, forty per centum ad valorem.

FLAX, HEMP, AND JUTE.

Sunn, sisal-grass, and other vegetable fibers. Free list.

Brown and bleached linens, ducks, canvas, paddings, cot bottoms, diapers, crash, huckabacks, handkerchiefs, lawns, or other manufactures of flax, jute, or hemp, or of which flax, jute, or hemp shall be the component material of chief value, not specially enumerated or provided for, twenty-five per centum ad valorem: *Provided*, That cuffs, collars, shirts, and other manufactures of wearing apparel, made in

whole or in part of linen, and not otherwise provided for, and hydraulic hose, thirty-five per centum ad valorem.

Flax, hemp, and jute yarns, and all twines of hemp, jute, jute butts, sunn, sisal-grass, ramie, and China grass, fifteen per centum ad valorem.

Burlaps, not exceeding sixty inches in width, of flax, jute, or hemp, or of which flax, jute, or hemp, or either of them, shall be the component material of chief value. Free list.

Bags of jute for grain. Free list.

Bags and bagging, and like manufactures, not specially enumerated or provided for, including bagging for cotton, composed wholly or in part of flax, hemp, jute, gunny cloth, gunny bags, or other material, three-eighths cents per pound.

Flax, hemp, and jute yarns, thirty-five per centum ad valorem.

Burlaps, not exceeding sixty inches in width, of flax, jute, or hemp, or of which flax, jute, or hemp, or either of them, shall be the component material of chief value (except such as may be suitable for bagging for cotton), thirty per centum ad valorem.

Bags and bagging, and like manufactures, not specially enumerated or provided for in this act (except bagging for cotton), composed wholly or in part of flax, hemp, jute, gunny cloth, gunny bags, or other material, forty per centum ad valorem.

Bagging for cotton, or other manufactures not specially enumerated or provided for in this act, suitable to the uses for which cotton bagging is applied, composed in whole or in part of hemp, jute, jute butts, flax, gunny bags, gunny cloth, or other material, and valued at seven cents or less per square yard, one and one-half cents per pound; valued at over seven cents per square yard, two cents per pound.

Grass-cloth, and other manufactures of jute, ramie, China, and sisal grass, not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

Grass-cloth, and other manufactures of jute, ramie, China, and sisal grass, not specially enumerated or provided for, twenty-five per centum ad valorem: *Provided*, That as to jute, jute butts, sunn, and sisal grass, and manufactures thereof, except burlaps, not exceeding sixty inches in width, this act shall take effect January first, eighteen hundred and eighty-nine; and as to flax, hemp, manilla, and other like substitutes for hemp, and the manufactures thereof, upon July first, eighteen hundred and eighty-nine.

WOOL AND WOOLENS.

Carpets and carpetings of wool, flax, or cotton, or parts of either or other material, not otherwise herein specified, forty per centum ad valorem; and mats, rugs, screens, covers, hassocks, bedsides, and other portions of carpets or carpetings, shall be subjected to the rate of duty herein imposed on carpets or carpetings of like character or description; and the duty on all other mats not exclusively of vege-

WOOL AND WOOLENS.

All other carpets and carpetings, druggets, bockings, mats, rugs, screens, covers, hassocks, bedsides of wool, flax, cotton, or parts of either, or other material, forty per centum ad valorem.

table material, screens, hassocks, and rugs, shall be forty per centum ad valorem.

PAPER.

Paper boxes, and all other fancy boxes, thirty-five per centum ad valorem.

Paper-hangings and paper for screens or fire-boards, paper antiquarian, demy, drawing, elephant, foolscap, imperial, letter, note, and all other paper not specially enumerated or provided for in this act, twenty-five per centum ad valorem.

SUNDRIES.

Bonnets, hats, and hoods for men, women, and children, composed of chip, grass, palm-leaf, willow, or straw, or any other vegetable substance, hair, whalebone, or other material not specially enumerated or provided for in this act, thirty per centum ad valorem.

Bulbs and bulbous roots, not medicinal, and not specially enumerated or provided for in this act, twenty per centum ad valorem.

Fans of all kinds, except common palm-leaf fans, of whatever material composed, thirty-five per centum ad valorem.

Feathers of all kinds, crude or not dressed, colored, or manufactured, twenty-five per centum ad valorem; when dressed, colored, or manufactured, including dressed and finished birds, for millinery ornaments, and artificial and ornamental feathers and flowers, or parts thereof, of whatever material composed, for millinery use, not specially enumerated or provided for in this act, fifty per centum ad valorem.

Gloves, kid or leather, of all descriptions, wholly or partially manufactured, fifty per centum ad valorem.

Gutta-percha, manufactured, and all articles of, not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

PAPER.

Paper boxes, and all other fancy boxes, not otherwise provided for, twenty-five per centum ad valorem.

Paper-hangings and paper for screens or fire-boards, surface-coated paper, and all manufactures of which surface-coated paper is a component material not otherwise provided for, and card board, paper antiquarian, demy, drawing, elephant, foolscap, imperial, letter, note, and all other paper not specially enumerated or provided for, twenty-five per centum ad valorem.

SUNDRIES.

Bonnets, hats, and hoods for men, women, and children, composed of hair, whalebone, or any vegetable material, and not specially enumerated or provided for, thirty per centum ad valorem.

Bulbs and bulbous roots, not medicinal. Free list.

Fans of all kinds, except palm-leaf fans, of whatever material composed, thirty per centum ad valorem.

Feathers of all kinds, crude or not dressed, colored, or manufactured. Free list.

Feathers of all kinds, when dressed, colored, or manufactured, including dressed and finished birds and artificial and ornamental feathers and flowers, or parts thereof, of whatever material composed, not specially enumerated or provided for, thirty-five per centum ad valorem.

Gloves, of all descriptions, wholly or partially manufactured, forty per centum ad valorem: *Provided*, That gloves made of silk taffeta shall be taxed fifty per centum ad valorem.

Gutta-percha, manufactured, and all articles of hard rubber not specially enumerated or provided for, thirty per centum ad valorem.

Hair, human, bracelets, braids, chains, rings, curls, and ringlets, composed of hair, or of which hair is the component material of chief value, thirty-five per centum ad valorem.

Curled hair, except of hogs, used for beds or mattresses, twenty-five per centum ad valorem.

Hats, and so forth, materials for: Braids, plaits, flats, laces, trimmings, tissues, willow sheets and squares, used for making or ornamenting hats, bonnets, and hoods, composed of straw, chip, grass, palm leaf, willow, hair, whalebone, or any other substance or material, not specially enumerated or provided for in this act, twenty per centum ad valorem.

Hemp seed and rape seed, and other oil seeds of like character, other than linseed or flaxseed, one quarter of one cent per pound.

Garden seeds, except seed of the sugar beet, twenty per centum ad valorem.

Marble of all kinds, in block, rough, or squared, sixty-five cents per cubic foot; veined marble, sawed, dressed, or otherwise, including marble slabs and marble paving tiles, one dollar and ten cents per cubic foot.

Rags, of whatever material composed, and not specially enumerated or provided for in this act, ten per centum ad valorem.

Rattans and reeds, manufactured, but not made up into completed articles, ten per centum ad valorem.

Salt, in bags, sacks, barrels, or other packages, twelve cents per one hundred pounds; in bulk, eight cents per one hundred pounds: *Provided*, That exporters of meats, whether packed or smoked, which have been cured in the United States, with imported salt, shall, upon satisfactory proof, under such regulations as the Secretary of the Treasury shall prescribe, that such meats have been cured with imported salt, have refunded to them from the Treasury the duties paid on the salt so used in curing such exported meats, in amounts not less than one hundred dollars: *And provided further*, That imported salt in bond may be used in curing fish taken by vessels licensed to engage in the fisheries, and in curing fish on

Bracelets, braids, chains, rings, curls, and ringlets composed of hair, or of which hair is the component material of chief value, and all manufactures of human hair, twenty-five per centum ad valorem.

Curled hair, for beds or mattresses. Free list.

Hats, materials for: Braids, plaits, flats, willow sheets and squares, fit only for use in making or ornamenting hats, bonnets, and hoods, composed of straw, chip, grass, palm-leaf, willow, hair, whalebone, or any vegetable material, not specially enumerated or provided for, twenty per centum ad valorem.

Hemp and rape seed, and other oil-seeds of like character. Free list.

Garden seeds. Free list.
Beans, pease, and split pease. Free list.

Marble of all kinds, in block, rough, or squared, forty cents per cubic foot.
Marble, sawed, dressed, or otherwise, including marble slabs and marble paving tiles, eighty-five cents per cubic foot.

Rags, of whatever material composed. Free list.

Rattans and reeds, manufactured but not made up into finished articles. Free list.

Salt, in bags, sacks, barrels, or other packages, or in bulk, when imported from any country which does not charge an import duty upon salt exported from the United States. Free list.

the shores of the navigable waters of the United States, under such regulations as the Secretary of the Treasury shall prescribe; and upon proof that the salt has been used for either of the purposes stated in this proviso, the duties on the same shall be remitted.

Stones, unmanufactured or undressed, freestone, granite, sandstone, and all building or monumental stone, except marble, not specially enumerated or provided for in this act, one dollar per ton; and upon stones as above, hewn, dressed, or polished, twenty per centum ad valorem.

Strings: All strings of catgut, or any other like material, other than strings for musical instruments, twenty-five per centum ad valorem.

Watches, watch-cases, watch-movements, parts of watches, and watch materials, not specially enumerated or provided for in this act, twenty-five per centum ad valorem.

Webbing, composed of cotton, flax, or any other materials, not specially enumerated or provided for in this act, thirty-five per centum ad valorem.

Stones, unmanufactured or undressed, freestone, granite, sandstone, and all building or monumental stone. Free list.

All strings of gut or any other like material. Free list.

Watches, watch-cases, watch-movements, parts of watches, watch-glasses, and watch-keys, whether separately packed or otherwise, and watch materials not specially enumerated or provided for in this act, twenty-five per centum ad valorem.

Webbing, composed of cotton, flax, or a mixture of these materials, not specially enumerated or provided for in this act, thirty per centum ad valorem.

APPENDIX G.

Comparison of rates of duty proposed by H. R. 9051, with present rates of duty on same articles, with the percentage of reduction of duty in each case.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
			Per ct.
Blacking of all kinds.....	25 per cent.....	20 per cent.....	20
Brass, and manufactures of:			
Manufactures of, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Bristles.....	15 cts. per pound..	Free.....	100
Brooms of all kinds.....	25 per cent.....	20 per cent.....	20
Brushes of all kinds.....	30 per cent.....	do.....	33
Carriages, and parts of, not specially enumerated or provided for.....	35 per cent.....	30 per cent.....	14
Chemicals, drugs, dyes, and medicines, not elsewhere specified:			
Acids—			
Acetic, acetous, or pyroligneous acid—			
Specific gravity exceeding 1.047.....	10 cts. per pound..	5 cts. per pound..	50
Boracic—			
Commercial.....	4 cts. per pound..	Free.....	100
Pure.....	5 cts. per pound..	do.....	100
Tannic and tannin.....	\$1 per pound.....	50 cts. per pound..	50
Alumina, alum, patent alum, alum substitute, sulphate of alumina, aluminous cake, and alum in crystals or ground.....	$\frac{6}{10}$ ct. per pound..	Free.....	100
Antimony, as regulus or metal.....	10 per cent.....	do.....	100
Bark for tanning, extracts of: Hemlock.....	20 per cent.....	do.....	100
Borax—			
Crude.....	3 cts. per pound..	do.....	100
Refined.....	5 cts. per pound..	do.....	100

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Chemicals, drugs, dyes, and medicines, not elsewhere specified—Continued.			<i>Per ct.</i>
Coal-tar, all preparations of, not colors or dyes, not specially enumerated or provided for.....	20 per cent.	Free.....	100
Copper, sulphate of, or blue vitriol.....	3 cts. per pound.....	do.....	100
Crysilic wash for sheep (sheep dip).....	20 per cent.	do.....	100
Glycerine—			
Crude, brown, or yellow, of specific gravity of 1.25 or less at a temperature of 60° F., not purified by refining or distilling.....	2 cts. per pound.....	do.....	100
Refined.....	5 cts. per pound.....	3 cts. per pound.....	40
Indigo—			
Carmined.....	10 per cent.....	Free.....	100
Extract of.....	do.....	do.....	100
Iodine.....	40 cts. per pound.....	do.....	100
Iron, sulphate of, or copperas.....	$\frac{1}{8}$ ct. per pound.....	do.....	100
Lead, acetate of—			
Brown.....	4 cts. per pound.....	2 cts. per pound.....	50
White.....	6 cts. per pound.....	3 cts. per pound.....	50
Nitrate of.....	3 cts. per pound.....	2 cts. per pound.....	33
Licorice:			
Paste or rolls.....	$\frac{7}{8}$ cts. per pound.....	5 cts. per pound.....	33
Logwood and other dye-woods, extracts, and decoctions.....	10 per cent.....	Free.....	100
Magnesia—			
Calcined.....	10 cts. per pound.....	7 cts. per pound.....	30
Carbonate of, medicinal.....	5 cts. per pound.....	3 cts. per pound.....	40
Sulphate of, or Epsom salts.....	$\frac{1}{2}$ ct. per pound.....	$\frac{1}{2}$ ct. per pound.....	50
Mineral waters, all imitations of natural mineral waters, and all artificial mineral waters.....	30 per cent.....	Free.....	100
Morphia, or morphine, and salts thereof.....	\$1 per ounce.....	50 cts. per ounce.....	50
Opium—			
Crude, containing 9 per cent and over of morphia.....	\$1 per pound.....	Free.....	100
Phosphorus.....	10 cts. per pound.....	do.....	100
Potash—			
Bicarbonate of, or saleratus, calcined or pearlash.....	$1\frac{1}{2}$ cts. per pound.....	$\frac{3}{4}$ ct. per pound.....	50
Carbonate of, or fused.....	20 per cent.....	Free.....	100
Caustic.....	do.....	do.....	100
Chlorate of.....	3 cts. per pound.....	do.....	100
Chromate and bichromate of.....	do.....	$2\frac{1}{2}$ cts. per pound.....	17
Crude.....	20 per cent.....	Free.....	100
Nitrate of, or saltpeter—			
Crude.....	1 ct. per pound.....	do.....	100
Refined.....	$1\frac{1}{2}$ cts. per pound.....	1 ct. per pound.....	33
Prussiate of—			
Red.....	10 cts. per pound.....	7 cts. per pound.....	30
Yellow.....	5 cts. per pound.....	3 cts. per pound.....	40
Sulphate of.....	20 per cent.....	Free.....	100
Soda—			
Bicarbonate of, or supercarbonate of.....	$1\frac{1}{2}$ cts. per pound.....	$\frac{3}{4}$ ct. per pound.....	50
Hydrate or caustic.....	1 ct. per pound.....	$\frac{1}{2}$ ct. per pound.....	50
Sal, or soda crystals.....	$\frac{1}{2}$ ct. per pound.....	$\frac{1}{2}$ ct. per pound.....	50
Silicate of, or other alkaline silicate.....	$\frac{1}{2}$ ct. per pound.....	$\frac{1}{4}$ ct. per pound.....	50
Sulphate of—			
Glauber salts.....	20 per cent.....	Free.....	100
Salt cake, crude or refined, or niter-cake, crude or refined.....	do.....	do.....	100
Sulphur—			
Refined, in rolls.....	\$10 per ton.....	do.....	100
Sublimed, or flowers of.....	\$20 per ton.....	\$12 per ton.....	40
Barks, beans, berries, balsams, buds, bulbs and bulbous roots and excrescences, such as nut-galls, fruits, flowers, dried fibers, grains, gums and gum resins, herbs, leaves, lichens, mosses, nuts, roots and stems, spices, vegetables, seeds (aromatic, not garden seeds), and seeds of morbid growth, weeds, woods used expressly for dyeing, and dried insects, any of the foregoing which are not edible, but which have been advanced in value or condition by refining or grinding, or by other process of manufacture.....	10 per cent.....	Free.....	100
Preparations, medicinal—			
Cerates, conserves, decoctions, emulsions, extracts, solid or fluid; infusions, juices, liniments, lozenges, mixtures, ointments, oleo-resins, pills, plasters, powders, resins, suppositories, sirups, vinegars, and waters, of any which alcohol is not a component part.....	do.....	20 per cent.....	20

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Chemicals, drugs, dyes, and medicines, not elsewhere specified—Continued.			
Sulphur—Continued.			
Preparations, proprietary, to wit:			
All pills, powders, troches, or lozenges, sirups, cordials, bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters, essences, spirits, oils, or preparations or compositions recommended to the public as proprietary articles, or prepared according to some private formula, as remedies or specifics for any disease or diseases or affections whatever, affecting the human or animal body (except cosmetics and toilet preparations).			<i>Per ct.</i>
Chicory root, ground or unground, burnt or prepared.	50 per cent.	30 per cent.	40
Clay or earthen:	2 cts. per pound.	Free.	100
China clay, or kaolin.	\$3 per ton.	\$1 and \$2 per ton.	33
Unwrought or manufactured, not specially enumerated or provided for.	\$1.50 per ton.	Free.	100
Cocoa, prepared or manufactured.	2 cts. per pound.	do.	100
Coffee substitutes, viz:			
Acorns and dandelion root, raw or prepared, and all other articles used or intended to be used as coffee, or as substitutes therefor, not specially enumerated or provided for.	do.	do.	100
Copper and manufactures of:			
Ores, fine copper contained therein.	2½ cts. per pound.	do.	100
Regulus of, and black or coarse copper and copper cement, fine copper contained therein.	3½ cts. per pound.	do.	100
Old, fit only for manufacture.	3 cts. per pound.	do.	100
Clippings, from new copper.	do.	1 ct. per pound.	67
Plates, not rolled; bars, ingots, Chili or other pig, and in other forms not manufactured or enumerated.	4 cts. per pound.	2 cts. per pound.	50
Plates, rolled, called braziers' copper, sheets, rods, pipes, and copper bottoms.	35 per cent.	30 per cent.	14
Sheathing, or yellow metal, not wholly of copper, nor wholly nor in part of iron, ungalvanized, in sheets 48 inches long and 14 inches wide, and weighing from 14 to 34 ounces per square foot.	do.	do.	14
Manufactures, articles, or wares not specially enumerated or provided for, composed wholly or in part of copper, whether partly or wholly manufactured.	45 per cent.	35 per cent.	22
Cotton, manufactures of:			
Thread—			
Thread, yarn, warps, or warp-yarns, whether single or advanced beyond the condition of single by twisting two or more single yarns together, whether on beams or in bundles, skeins, or cops, or in any other form—			
Valued at not exceeding 25 cents per pound.	10 cts. per pound.	do.	21
Valued at over 25 and not exceeding 40 cents per pound.	15 cts. per pound.	do.	17
Valued at over 40 and not exceeding 50 cents per pound.	20 cts. per pound.	40 per cent.	12
Valued at over 50 and not exceeding 60 cents per pound.	25 cts. per pound.	do.	12
Valued at over 60 and not exceeding 70 cents per pound.	33 cts. per pound.	do.	21
Valued at over 70 and not exceeding 80 cents per pound.	38 cts. per pound.	do.	19
Valued at over 80 cents and not exceeding \$1 per pound.	48 cts. per pound.	do.	25
Valued at over \$1 per pound.	50 per cent.	do.	20
Thread on spools—			
Of 100 yards each spool.	7 cts. per dozen.	do.	26
Cloth—			
Not exceeding 100 threads to the square inch, counting the warp and filling—			
Not bleached, dyed, colored, stained, painted, or printed, valued at 8 cents or less per square yard.	2½ cts. per sq. yd.	do.	48
Bleached, valued at 10 cents or less per square yard.	3½ cts. per sq. yd.	do.	47
Dyed, colored, stained, painted, or printed, valued at 13 cents or less per square yard.	4½ cts. per sq. yd.	do.	45

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Cotton, manufactures of—Continued.			
Cloth—Continued.			
Exceeding 100 and not exceeding 200 threads to the square inch, counting the warp and filling—			
Not bleached, dyed, colored, stained, painted, or printed, valued at 8 cents or less per square yard	3 cts. per sq. yd.	40 per cent.	<i>Per ct.</i> 47
Bleached, valued at 10 cents or less per square yard	4 cts. per sq. yd.	do.	28
Dyed, colored, stained, painted, or printed, valued at 13 cents or less per square yard	5 cts. per sq. yd.	do.	19
Exceeding 200 threads to the square inch, counting the warp and filling—			
Not bleached, dyed, colored, stained, painted, or printed—			
Valued at 10 cents or less per square yard	4 cts. per sq. yd.	do.	30
Bleached—			
Valued at 12 cents or less per square yard	5 cts. per sq. yd.	do.	23
Dyed, colored, stained, painted, or printed—			
Valued at 15 cents or less per square yard	6 cts. per sq. yd.	do.	17
Earthen, stone, and china ware:			
Bricks and tiles—			
Brick, other than fire-brick	20 per cent.	Free	100
Tiles, encaustic	35 per cent.	30 per cent.	14
Tiles, glazed or enameled	60 per cent.	45 per cent.	18
Brown earthenware, common stoneware, gas retorts, and stoneware not ornamented	25 per cent.	20 per cent.	20
China, porcelain, parian, and bisque ware, plain & white, and not ornamented or decorated in any manner	55 per cent.	40 per cent.	27
China, porcelain, parian, and bisque, earthen, stone, and crockery ware, including plaques ornaments, charms, vases, and statuettes, painted, printed, or gilded, or otherwise decorated or ornamented in any manner	60 per cent.	50 per cent.	17
All other earthen, stone, and crockery ware, white, glazed, or edged, composed of earthy or mineral substances, not specially enumerated or provided for	55 per cent.	35 per cent.	36
Fancy articles:			
Beads and bead ornaments of all kinds, except amber beads	50 per cent.	40 per cent.	20
Canes and sticks for walking—			
Finished	35 per cent.	20 per cent.	43
Unfinished	20 per cent.	Free	100
Dolls and toys	35 per cent.	30 per cent.	14
Fans of all kinds, except common palm-leaf fans, of whatever material composed	do.	do.	14
Feathers, not artificial, not elsewhere specified—			
Crude, or not dressed, colored, or manufactured—			
Ostrich	25 per cent.	Free	100
All other	do.	do.	100
Dressed, colored, or manufactured, including dressed and finished birds for millinery ornaments—			
Ostrich	50 per cent.	35 per cent.	30
All other	do.	do.	30
Feathers and flowers, artificial and ornamental, or parts thereof, of whatever material composed, for millinery use, not specially enumerated or provided for	do.	do.	30
Perfumery, cosmetics, and toilet preparations—			
All toilet preparations whatever, not elsewhere specified	do.	30 per cent.	40
Flax, hemp, jute, and other textile grasses and vegetable substances and manufactures of:			
Unmanufactured—			
Flax—			
Hackled, known as "dressed line"	\$40 per ton	\$10 per ton	75
Not hackled or dressed	\$20 per ton	Free	100
Straw	\$5 per ton	do.	100
Tow of	\$10 per ton	do.	100

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Flax, hemp, jute, and other textile grasses and vegetable substances, and manufactures of—Continued.			
Unmanufactured—Continued.			<i>Per ct.</i>
Hemp.....	\$25 per ton.....	Free.....	100
Hemp, tow of.....	\$10 per ton.....	do.....	100
Manila and other like substitutes for hemp, not specially enumerated or provided for.....	\$25 per ton.....	do.....	100
Sunn.....	\$15 per ton.....	do.....	100
Jute.....	20 per cent.....	do.....	100
Jute butts.....	\$5 per ton.....	do.....	100
Sisal grass.....	\$15 per ton.....	do.....	100
Other vegetable substances, not specially enumerated or provided for.....	do.....	do.....	100
Manufactures—			
Thread, twine and pack thread, flax or linen.....	40 per cent.....	25 per cent.....	38
Yarns—			
Flax.....	35 per cent.....	15 per cent.....	57
Grass (China grass).....	20 per cent.....	do.....	25
Hemp.....	35 per cent.....	do.....	57
Jute.....	do.....	do.....	57
Bagging for cotton, or other manufactures not specially enumerated or provided for, suitable to the uses for which cotton bagging is applied, composed in whole or in part of hemp, jute, jute butts, flax, gunny bags, gunny cloth, or other materials, valued at 7 cents or less per square yard.....	1½ cts. per pound.....	¾ ct. per pound.....	75
Bags and bagging and like manufactures, not specially enumerated or provided for (except bagging for cotton), composed wholly or in part of flax, hemp, jute, gunny cloth, gunny bags, or other material.....	40 per cent.....	do.....	60
Brown and bleached linens, ducks, canvas, paddings, cot-bottoms, diapers, crash, huckabacks, handkerchiefs, and lawns, of flax, jute, or hemp, or of which flax, jute, or hemp shall be the component material of chief value.....	35 per cent.....	25 per cent.....	29
Burlaps of flax, jute, or hemp, or of which flax, jute, or hemp, or either of them, shall be the component material of chief value (except such as may be suitable for bagging for cotton)—			
Not exceeding 60 inches in width.....	30 per cent.....	Free.....	100
Exceeding 60 inches in width.....	40 per cent.....	25 per cent.....	38
Grass-cloth and other manufactures of jute, ramie, China, and sisal grass, not specially enumerated or provided for.....	35 per cent.....	do.....	29
Oil-cloth foundations or floor-cloth canvas made of flax, jute, or hemp, or of which flax, jute, or hemp, or either of them, shall be the component material of chief value.....	40 per cent.....	do.....	38
Oil-cloths for floors stamped, painted, or printed, and all other oil-cloth (except silk oil-cloth) and water-proof cloth, not otherwise provided for.....	do.....	do.....	38
Sail duck or canvas for sails.....	30 per cent.....	do.....	17
Sheetings, Russia and other, of flax or hemp, brown or white.....	35 per cent.....	do.....	29
Bags of jute for grain.....	40 per cent.....	Free.....	100
Cables and cordage—			
Cables and cordage, tarred.....	3 cts. per pound.....	25 per cent.....	17
Cordage, manilla, untarred.....	2½ cts. per pound.....	do.....	24
Cordage, all other, untarred.....	3½ cts. per pound.....	do.....	17
All other manufactures not specially enumerated and provided for—			
Of flax, or of which flax shall be the component material of chief value.....	40 per cent.....	do.....	38
Of flax, jute, hemp, or manilla, or of which flax, jute, hemp, or manilla shall be the component material of chief value.....	35 per cent.....	do.....	29
Of grass.....	30 per cent.....	do.....	17
Fruits, including nuts, not elsewhere specified:			
Currants, Zante or other.....	1 ct. per pound.....	Free.....	100
Dates.....	do.....	do.....	100
Figs.....	2 cts. per pound.....	do.....	100
Raisins.....	do.....	1½ cts. per pound.....	25

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Fruits, including nuts, not elsewhere specified—Con.			
Nuts—			
Peanuts or ground beans—			<i>Per ct.</i>
Not shelled.....	1 ct. per pound.....	$\frac{1}{2}$ ct. per pound.....	25
Shelled.....	$1\frac{1}{2}$ cts. per pound.....	1 ct. per pound.....	33
Glassware—			
Articles of glass, cut, engraved, painted, colored, printed, stained, silvered, or gilded (not including plate-glass, silvered or looking-glass plate), porcelain and Bohemian glass, chemical glassware, painted glassware, and stained glass.....	45 per cent.....	40 per cent.....	11
Cylinder, crown, and common window-glass, unpolished—			
Above 10 by 15 inches and not exceeding 16 by 24 inches.....	$1\frac{1}{2}$ cts. per pound..	$1\frac{1}{2}$ cts. per pound..	14
Above 16 by 24 inches and not exceeding 24 by 30 inches.....	$2\frac{3}{4}$ cts. per pound..	2 cts. per pound..	15
All above 24 by 30 inches.....	$2\frac{3}{4}$ cts. per pound..	$2\frac{1}{2}$ cts. per pound..	12
German looking-glass plates of blown glass.....	Same as cylinder..	Free.....	100
Cylinder and crown glass, polished, unsilvered—			
All above 24 by 60 inches.....	40 cts. per sq. foot.	30 cts. per sq. foot.	25
Plate-glass, cast, polished, silvered, or looking-glass plates—			
Above 24 by 30 inches and not exceeding 24 by 60 inches.....	35 cts. per sq. foot.	25 cts. per sq. foot.	29
All above 24 by 60 inches.....	60 cts. per sq. foot.	45 cts. per sq. foot.	38
All other manufactures of glass, or of which glass shall be the component material of chief value, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Glass plates or disks for spectacles.....	do.....	Free.....	100
Gold and silver, manufactures of:			
Gold and silver, manufactures of, not specially enumerated or provided for.....	do.....	40 per cent.....	11
Grease, not elsewhere specified: All other grease, not especially enumerated or provided for.....	10 per cent.....	Free.....	100
Gunpowder and all explosive substances:			
Percussion caps.....	40 per cent.....	30 per cent.....	25
Gun wads of all descriptions.....	35 per cent.....	25 per cent.....	29
Hair, not elsewhere specified, and manufactures of:			
Curled hair, except of hogs, used for beds or mattresses.....	25 per cent.....	Free.....	100
Human hair—			
Raw, unclean, and not drawn.....	20 per cent.....	do.....	100
Clean or drawn, but not manufactured.....	30 per cent.....	20 per cent.....	33
Manufactured.....	35 per cent.....	25 per cent.....	29
Brazets, braids, chains, rings, curls, ringlets composed of hair, or of which hair is the component material of chief value.....	do.....	do.....	29
Hatters' plush, composed of silk, or of silk and cotton.....	25 per cent.....	15 per cent.....	40
Hat bodies of cotton.....	35 per cent.....	30 per cent.....	41
India rubber and gutta-percha, manufactures of:			
Gutta-percha, manufactured, and all articles of, not specially enumerated or provided for.....	do.....	do.....	14
Inks of all kinds, and ink powders.....	30 per cent.....	20 per cent.....	33
Iron and steel, and manufactures of:			
Iron ores—			
Chromate of iron, or chromic ore.....	15 per cent.....	Free.....	100
Iron, in pigs and kentledge.....	\$6.72 per ton.....	\$6 per ton.....	11
Bar-iron—			
Bars, blooms, billets, or sizes or shapes of any kind, in the manufacture of which charcoal is used as fuel.....	\$22 per ton.....	\$20 per ton.....	10
Bars or shapes of rolled iron, not specially enumerated or provided for, and round iron in coils or rods, less than $\frac{3}{16}$ of 1 inch in diameter.....	$1\frac{3}{16}$ cts. per pound.	1 ct. per pound....	9
Rolled or hammered, comprising—			
Flats not less than 1 inch wide nor less than $\frac{3}{16}$ of 1 inch thick.....	$\frac{5}{16}$ ct. per pound...	$\frac{7}{16}$ ct. per pound...	13
Flats less than 1 inch wide or less than $\frac{3}{16}$ of 1 inch thick; round iron less than $\frac{3}{16}$ of 1 inch and not less than $\frac{3}{16}$ of 1 inch in diameter; and square iron less than $\frac{3}{16}$ of 1 inch square.....	$1\frac{1}{16}$ cts. per pound.	1 ct. per pound....	9
Bars or rails for railways—			
Flat rails, punched, iron.....	\$17.92 per ton.....	\$15 per ton.....	16

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Iron and steel, and manufactures of—Continued.			
Bars or rails for railways—Continued.			
Tee rails, weighing not over 25 pounds to the yard, steel.	\$20.16 per ton.	\$14 per ton.	<i>Per ct.</i> 31
Other railway bars, weighing more than 25 pounds to the yard—			
Iron.	\$15.68 per ton.	\$11 per ton.	30
Steel, or in part of steel.	\$17 per ton.	do.	35
Beams, girders, joists, angles, channels, car-truck channels, T T columns and posts, or parts or sections of columns and posts, deck and bulb beams, and building forms, together with all structural shapes of iron or steel.	1½ cts. per pound.	$\frac{9}{10}$ ct. per pound.	5½
Bars, billets, blooms, blanks, ingots, etc., of steel—			
Ingots, clogged ingots, blooms, or blanks, for railway wheels and tires, without regard to the degree of manufacture.	2 cts. per pound.	1½ cts. per pound.	25
Cotton-ties, or hoops for baling purposes, of iron and steel, not thinner than No. 20, wire gauge.	35 per cent.	Free.	100
Hoop, band, scroll, or other iron, 8 inches or less in width—			
Thinner than No. 10 and not thinner than No. 20, wire gauge.	1 $\frac{7}{10}$ cts. per pound.	1 $\frac{7}{10}$ cts. per pound.	9
Thinner than No. 20, wire gauge.	1 $\frac{7}{10}$ cts. per pound.	1 $\frac{7}{10}$ cts. per pound.	7
Sheets, plates, and taggers iron—			
Sheet-iron, common or black—			
Thinner than 1½ inches and not thinner than No. 20, wire gauge.	1 $\frac{7}{10}$ cts. per pound.	1 ct. per pound.	9
Thinner than No. 20 and not thinner than No. 25, wire gauge.	1 $\frac{7}{10}$ cts. per pound.	1 $\frac{7}{10}$ cts. per pound.	9
Thinner than No. 25 and not thinner than No. 29, wire gauge.	1 $\frac{6}{10}$ cts. per pound.	1½ cts. per pound.	17
Sheets and plates pickled or cleaned by acid, or by any other material or process, and cold-rolled—			
Sheets—			
Thinner than 1½ inches and not thinner than No. 20, wire gauge.	1 $\frac{35}{100}$ cts. per pound.	1 $\frac{35}{100}$ cts. per pound.	8
Thinner than No. 20 and not thinner than No. 25, wire gauge.	1 $\frac{45}{100}$ cts. per pound.	1 $\frac{35}{100}$ cts. per pound.	7
Thinner than No. 25 and not thinner than No. 29, wire gauge.	1 $\frac{75}{100}$ cts. per pound.	1 $\frac{50}{100}$ cts. per pound.	14
Sheets or plates of iron or steel (except what are commercially known as tin-plates, terne-plates, and taggers tin) galvanized or coated with zinc or spelter, or other metals, or any alloy of these metals—			
Thinner than No. 20 and not thinner than No. 25, wire gauge.	1 $\frac{25}{100}$ cts. per pound.	1 $\frac{20}{100}$ cts. per pound.	18
Thinner than No. 25 and not thinner than No. 29, wire gauge.	2 $\frac{25}{100}$ cts. per pound.	2 cts. per pound.	11
Sheets of iron or steel, cold-rolled, cold-hammered, or polished in any way, in addition to the ordinary process of hot-rolling or hammering—			
Sheet-iron, common or black—			
Thinner than 1½ inches and not thinner than No. 20, wire gauge.	1 $\frac{1}{10}$ cts. per pound plus $\frac{1}{4}$ ct.	1 $\frac{25}{100}$ cts. per pound.	7
Thinner than No. 20 and not thinner than No. 25, wire gauge.	1 $\frac{2}{10}$ cts. per pound plus $\frac{1}{4}$ ct.	1 $\frac{35}{100}$ cts. per pound.	7
Thinner than No. 25 and not thinner than No. 29, wire gauge.	1 $\frac{7}{10}$ cts. per pound plus $\frac{1}{4}$ ct.	1½ cts. per pound.	14
Sheets or plates, or taggers iron, coated with tin or lead, or with a mixture of which these metals are a component part, by the dipping or any other process, and commercially known as tin-plates, terne-plates, and taggers tin, of iron or steel.	1 ct. per pound.	Free.	100
Wire rods of steel, not elsewhere specified.	45 per cent.	40 per cent.	11
Iron or steel, flat, with ribs.	$\frac{4}{10}$ ct. per pound.	$\frac{4}{10}$ ct. per pound.	33

a By H. R. 9051 "thinner than 1 inch."

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Iron and steel, and manufactures of—Continued.			
Wire of iron—			<i>Per ct.</i>
Smaller than No. 5 and not smaller than No. 10, wire gauge.....	1½ cts. per pound..	"Shall pay the duties now provided by law: <i>Provided</i> , That no duty shall be in excess of 60 per cent."	10
Wire of steel—			
Smaller than No. 10 and not smaller than No. 16, wire gauge.....	2 cts. per pound...		46
Wire and wire strand, made of iron wire—			
Galvanized—			
Smaller than No. 16 and not smaller than No. 26, wire gauge.....	4 cts. per pound...		4
Smaller than No. 16 and not smaller than No. 26 wire gauge.....	4½ cts. per pound...		40
Smaller than No. 26, wire gauge.....	5 cts. per pound...		14
Galvanized—			
Smaller than No. 16 and not smaller than No. 26, wire gauge.....	do.....		47
Manufactures of, not elsewhere specified—			
Axles, parts thereof, axle-bars, axle-blanks, or forgings for axles, without reference to the stage or state of manufacture, of iron or steel.....	2½ cts. per pound..	1½ cts. per pound..	40
Anchors, or parts thereof, mill-irons and mill-cranks, of wrought iron, and wrought iron for ships, and forgings of iron and steel for vessels, steam-engines, and locomotives, or parts thereof, each weighing 25 pounds or more.....	2 cts. per pound..	do.....	25
Anvils.....	do.....	do.....	25
Card clothing—			
Manufactured from tempered steel wire.....	45 cts. per sq. foot..	40 per cent.....	11
Other.....	25 cts. per sq. foot..	20 per cent.....	20
Castings—			
Cast-iron pipe of every description.....	1 ct. per pound....	½ ct. per pound....	40
Chain or chains of all kinds, made of iron and steel—			
Not less than ¾ of 1 inch in diameter.....	1½ cts. per pound..	1½ cts. per pound..	29
Less than ¾ of 1 inch and not less than ⅜ of 1 inch in diameter.....	2 cts. per pound....	1½ cts. per pound....	25
Less than ⅜ of 1 inch in diameter.....	2½ cts. per pound..	2 cts. per pound....	20
Files, file-blanks, rasps, and floats of all cuts and kinds—			
4 inches in length and under.....	35 cts. per dozen....	35 per cent.....	32
Over 4 inches in length and under 9 inches.....	75 cts. per dozen....	do.....	46
9 inches in length and under 14 inches.....	\$1.50 per dozen.....	do.....	34
14 inches in length and over.....	\$2.50 per dozen.....	do.....	45
Hammers and sledges (blacksmith's) track-tools, wedges, and crowbars, of iron or steel.....	2½ cts. per pound..	1½ cts. per pound..	40
Hollow-ware, coated, glazed, or tinned.....	3 cts. per pound....	2½ cts. per pound....	17
Horse, mule, or ox shoes.....	2 cts. per pound....	1½ cts. per pound....	25
Machinery for the manufacture of jute.....	45 per cent.....	Free.....	100
Machinery, not elsewhere specified.....	do.....	40 per cent.....	11
Nails, spikes, tacks, brads, or sprigs—			
Cut nails and spikes of iron or steel.....	1½ cts. per pound..	1 ct. per pound....	20
Cut tacks, brads, or sprigs—			
Exceeding 16 ounces to the thousand.....	3 cts. per pound....	do.....	56
Horseshoe nails, hob nails, wire nails, and all other wrought-iron or steel nails, not specially enumerated or provided for.....	4 cts. per pound....	2½ cts. per pound..	38
Spikes of wrought iron or steel.....	2 cts. per pound..	1½ cts. per pound..	25
Needles—			
For knitting or sewing machines.....	35 per cent.....	20 per cent.....	43
Sewing, darning, knitting, and all other, not specially enumerated or provided for.....	25 per cent.....	Free.....	100
Nuts and washers of wrought iron or steel.....	2 cts. per pound....	1½ cts. per pound....	25
Railway fish plates or splice bars of iron or steel.....	1½ cts. per pound..	½ ct. per pound....	37
Rivets, bolts, with or without threads or nuts, bolt blanks, and finished hinges, or hinge blanks of iron and steel.....	2½ cts. per pound..	1½ cts. per pound..	40
Saws and saw plates—			
Hand, back, and all other saws, not specially enumerated or provided for.....	40 per cent.....	30 per cent.....	25
Tubes or flues, or stays, of wrought iron or steel—			
Boiler tubes, or flues, or stays.....	3 cts. per pound....	1½ cts. per pound..	50
Other tubes or pipes.....	2½ cts. per pound..	do.....	33
Wheels of steel and steel-tired wheels for railway purposes, whether wholly or partly finished, and iron or steel locomotive, car, and other railway tires, or parts thereof, wholly or partly manufactured.....	2½ cts. per pound..	2 cts. per pound....	20

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction
Iron and steel, and manufactures of—Continued.			<i>Per ct.</i>
All other manufactures of iron.....	45 per cent.....	40 per cent.....	11
All other manufactures of steel.....	do.....	do.....	11
Lead, and manufactures of:			
Molten and old refuse lead, run into blocks and bars, and old scrap lead, fit only to be manufactured.....	2 cts. per pound.....	1½ cts. per pound..	38
Ore and dross.....	1½ cts. per pound..	¾ ct. per pound.....	50
Pigs and bars.....	2 cts. per pound.....	1½ cts. per pound..	38
Sheets, pipes, and shot.....	3 cts. per pound.....	2½ cts. per pound..	25
Manufactures not especially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Leather, and manufactures of:			
Gloves, kid or leather, wholly or partially manufactured.....	50 per cent.....	do.....	20
Lime:			
Borate of.....	3 cts. per pound.....	Free.....	100
Liquors, spirituous and malt, and wines:			
Spirits, distilled—			
Alcohol, containing 94 per cent anhydrous alcohol.....	\$2 per proof gallon.	Repealed.....	100
Compounds or preparations of which distilled spirits are a component part of chief value, not specially enumerated or provided for—			
Containing 50 per cent anhydrous alcohol...	\$1 per gallon.....	do.....	100
Marble and stone, and manufactures of:			
Marble—			
In blocks, rough or squared, of all kinds.....	65 cts. per cubic ft.	40 cts. per cubic ft.	38
Veined marble, sawed, dressed, or otherwise, including marble slabs and paving tiles.....	\$1.10; per cubic ft..	85 cts. per cubic ft.	23
All manufactures of, not specially enumerated or provided for.....	50 per cent.....	30 per cent.....	40
Stone—			
Slate—			
Slates, slate panells, slate chimney pieces, mantels, slabs for tables, and all other manufactures of slate.....	30 per cent.....	20 per cent.....	33
Stones, freestone, granite, sandstone, and all building or ornamental stone, except marble, not specially enumerated or provided for—			
Unmanufactured or undressed.....	\$1 per ton.....	Free.....	100
Grindstones, finished or unfinished.....	\$1.75 per ton.....	do.....	100
Matches, friction or lucifer, of all descriptions.	35 per cent.....	25 per cent.....	29
Metals, metal compositions, and manufactures of, not elsewhere specified:			
Bronze metal, manufactures of, not elsewhere specified.....	45 per cent.....	40 per cent.....	11
Japaned ware of all kinds, not specially enumerated or provided for.....	40 per cent.....	30 per cent.....	25
Metals, unwrought, not specially enumerated or provided for.....	20 per cent.....	Free.....	100
Nickel, a nickel oxide, alloy of any kind in which nickel is the element of chief value.....	15 cts. per pound.....	10 cts. per pound..	33
Nickel, manufactures of, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Pens, metallic.....	12 cts. per gross...	35 per cent.....	19
Pewter, manufactures of, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Platinum, manufactures of, not specially enumerated or provided for.....	do.....	do.....	11
Quicksilver.....	10 per cent.....	Free.....	100
Stereotype plates.....	25 per cent.....	15 per cent.....	40
Type metal.....	20 per cent.....	do.....	25
Type, new.....	25 per cent.....	do.....	40
Manufactures of all other metals, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Mineral substances, not elsewhere specified:			
Minerals, nondutiable, advanced in value or condition by refining or grinding, or by other process of manufacture, not specially enumerated or provided for.....	10 per cent.....	Free.....	100
Mineral substances in a crude state, not specially enumerated or provided for.....	20 per cent.....	do.....	100
Oils, not elsewhere specified:			
Animal—			
Neat's-foot.....	do.....	do.....	100
Seal.....	do.....	do.....	100

a "Nickel in ore or matte" by H. R. 9051.

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Oils, not elsewhere specified—Continued.			<i>Per ct.</i>
Animal—Continued.			
Whale and fish, not elsewhere specified	20 per cent.	Free	100
All other animal oils and combinations of	do.	do.	100
Mineral—			
Naphtha, benzine, benzole, dead oil, and similar products of coal-tar	do.	do.	100
Petroleum, crude	10 per cent.	do.	100
Vegetable, fixed or expressed—			
Castor	80 cts. per gallon	40 cts. per gallon	50
Cotton-seed	25 cts. per gallon	Free	100
Croton	50 cts. per gallon	do.	100
Flaxseed or linseed	25 cts. per gallon	15 cts. per gallon	40
Hemp-seed and rape-seed	10 cts. per gallon	Free	100
Olive	25 per cent.	do.	100
Saled, other than olive	do.	do.	100
Paints and colors:			
Baryta, sulphate of, or barytes—			
Manufactured	$\frac{1}{2}$ ct. per pound	$\frac{1}{2}$ ct. per pound	50
Unmanufactured	10 per cent.	Free	100
Lampblack	25 per cent.	20 per cent.	20
Barytes, artificial sulphate of, or blanc-fixe, or satin white	do.	do.	20
Blue—			
Prussian	do.	do.	20
Ultramarine	5 cts. per pound	3 cts. per pound	40
Brown—			
Spanish, Indian red, and oolcothar, or oxide of iron	25 per cent.	20 per cent.	20
Vandyke, Cassel earth, or Cassel brown	do.	do.	20
Lead—			
Litharge	3 cts. per pound	$1\frac{1}{2}$ cts. per pound	50
Orange mineral	do.	do.	50
Red	do.	do.	50
White, dry or in pulp and ground or mixed in oil	do.	2 cts. per pound	33
Ocher and ochery earths—			
Dry	$\frac{1}{2}$ ct. per pound	Free	100
Oil and moist colors in collapsible tubes	25 per cent.	20 per cent.	20
Red—			
Venetian	do.	do.	20
Vermillion, quicksilver	do.	do.	20
Sienna and sienna earths—			
Dry	$\frac{1}{2}$ ct. per pound	Free	100
Smalts and frostings	25 per cent.	20 per cent.	20
Umber and umber earths—			
Dry	$\frac{1}{2}$ ct. per pound	Free	100
Water colors, in cakes or in moist pans	25 per cent.	20 per cent.	20
Zinc, oxides of—			
Dry	$1\frac{1}{2}$ cts. per pound	1 ct. per pound	20
Ground in oil	$1\frac{1}{2}$ cts. per pound	$1\frac{1}{2}$ cts. per pound	14
All other colors and paints, including lakes, whether dry or mixed, or ground with water or oil, not specially enumerated or provided for	25 per cent.	20 per cent.	20
Paper and manufactures of:			
Paper—			
Printing paper unsized, used for books and newspapers exclusively	15 per cent.	12 per cent.	20
Sized or glued, suitable only for printing paper	20 per cent.	15 per cent.	25
Manufactures of—			
Boxes	35 per cent.	25 per cent.	29
Envelopes	25 per cent.	20 per cent.	20
Papier-maché, manufactures, articles and wares of	30 per cent.	25 per cent.	17
Paris green	25 per cent.	$12\frac{1}{2}$ per cent.	50
Philosophical apparatus and instruments	35 per cent.	25 per cent.	29
Powders, finishing	do.	Free	100
Provisions:			
Meats, game and poultry, not elsewhere specified, dressed or undressed, but not otherwise prepared	10 per cent.	do.	100
Tallow	do.	do.	100
Dairy products—			
Milk, fresh	do.	do.	100
Egg yolks	20 per cent.	do.	100
Rags, not specially enumerated or provided for	10 per cent.	do.	100

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Rice, not elsewhere specified:			<i>Per ct.</i>
Cleaned.....	2½ cts. per pound..	2 cts. per pound..	11
Uncleaned.....	1½ cts. per pound..	1½ cts. per pound..	17
Paddy.....	1½ cts. per pound..	1 ct. per pound..	20
Granulated, or rice meal.....	20 per cent.	15 per cent.	25
Salt:			
In bags, sacks, barrels, or other packages.....	12 cts. per 100 lbs..	Free	100
In bulk.....	8 cts. per 100 lbs..	do.	100
Seeds, not elsewhere specified:			
Bulbs and bulbous roots, not medicinal, not specially enumerated or provided for.....	20 per cent.	do.	100
Castor beans or seeds.....	50 cts. per bushel..	25 cts. per bushel..	50
Garden seeds, except of the sugar beet.....	20 per cent.	Free	100
Hemp seed.....	½ ct. per pound..	do.	100
Rape seed and other oil seed of like character.....	do.	do.	100
Soap: Hard and soft, not especially enumerated or provided for.....	20 per cent.	do.	100
Starch:			
Corn or potato.....	2 cts. per pound..	1 ct. per pound..	50
Rice and all other.....	2½ cts. per pound..	do.	60
Strings of cat-gut, or any other like material, other than strings for musical instruments.....	25 per cent.	Free	100
Sugar, molasses, sugar candy, and confectionery:			
Molasses, testing by the polariscope—			
Not above 56 degrees.....	4 cts. per gallon..	2.75 cts. per gallon..	31
Above 56 degrees.....	8 cts. per gallon..	6 cts. per gallon..	25
Sugar, Dutch standard in color—			
Not above No. 13, tank bottoms, sirups of cane-juice, or beet-juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope—			
Not above 75 degrees.....	1.40 cts. per pound.	1.15 cts. per pound.	18.5
Not above 76 degrees.....	1.44 cts. per pound.	1.182 cts. per lb.	
Not above 77 degrees.....	1.48 cts. per pound.	1.214 cts. per lb.	
Not above 78 degrees.....	1.52 cts. per pound.	1.246 cts. per lb.	
Not above 79 degrees.....	1.56 cts. per pound.	1.278 cts. per lb.	
Not above 80 degrees.....	1.60 cts. per pound.	1.310 cts. per lb.	
Not above 81 degrees.....	1.64 cts. per pound.	1.342 cts. per lb.	
Not above 82 degrees.....	1.68 cts. per pound.	1.374 cts. per lb.	
Not above 83 degrees.....	1.72 cts. per pound.	1.406 cts. per lb.	
Not above 84 degrees.....	1.76 cts. per pound.	1.438 cts. per lb.	
Not above 85 degrees.....	1.80 cts. per pound.	1.470 cts. per lb.	
Not above 86 degrees.....	1.84 cts. per pound.	1.502 cts. per lb.	
Not above 87 degrees.....	1.88 cts. per pound.	1.534 cts. per lb.	
Not above 88 degrees.....	1.92 cts. per pound.	1.566 cts. per lb.	
Not above 89 degrees.....	1.96 cts. per pound.	1.598 cts. per lb.	
Not above 90 degrees.....	2.00 cts. per pound.	1.630 cts. per lb.	
Not above 91 degrees.....	2.04 cts. per pound.	1.662 cts. per lb.	
Not above 92 degrees.....	2.08 cts. per pound.	1.694 cts. per lb.	
Not above 93 degrees.....	2.12 cts. per pound.	1.726 cts. per lb.	
Not above 94 degrees.....	2.16 cts. per pound.	1.758 cts. per lb.	
Not above 95 degrees.....	2.20 cts. per pound.	1.790 cts. per lb.	
Not above 96 degrees.....	2.24 cts. per pound.	1.822 cts. per lb.	20
Not above 97 degrees.....	2.28 cts. per pound.	1.854 cts. per lb.	
Not above 98 degrees.....	2.32 cts. per pound.	1.886 cts. per lb.	
Not above 99 degrees.....	2.46 cts. per pound.	1.918 cts. per lb.	
Not above 100 degrees.....	2.40 cts. per pound.	1.950 cts. per lb.	
Above No. 13, and not above No. 16.....	2½ cts. per pound..	2.20 cts. per pound.	20
Above No. 16, and not above No. 20.....	3 cts. per pound..	2.40 cts. per pound.	20
Above No. 20.....	3½ cts. per pound..	2.80 cts. per pound.	20
Sugar candy and confectionery—			
Confectionery valued above 30 cents per pound, or when sold by the box, package, or otherwise than by the pound.....	50 per cent.	40 per cent.	25
Confectionery, all other, not specially enumerated, made wholly or in part of sugar, and sugars after being refined, when tintured, colored, or in any way adulterated, valued at 30 cents per pound or less.....	10 cts. per pound..	do.	44
Tar and pitch:			
Pitch of coal tar.....	20 per cent.	Free	100
Tar of coal, crude.....	10 per cent.	do.	100
Tar and pitch of wood.....	do.	do.	100
Teeth, manufactured.....	20 per cent.	20 per cent.	
Tin, manufactures of:			
Foil.....	45 per cent.	40 per cent.	11
All manufactures of, not specially enumerated or provided for.....	do.	do.	11
Turpentine, spirits of.....	20 cts. per gallon..	Free	100

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Umbrellas, parasols, shades, and parts of: Umbrellas, parasols, and shades— All other umbrellas.....	40 per cent.....	30 per cent.....	<i>Per ct.</i> 25
Umbrella and parasol ribs, and stretchers, frames, tips, runners, handles, or other parts thereof, when made in whole or chief part of iron, steel, or other metal.....	do.....	do.....	25
Vegetables:			
Beans and peas, not for seed.....	10 per cent.....	Free.....	100
Peas, split.....	20 per cent.....	do.....	100
Other, in their natural state or in salt or brine.....	10 per cent.....	do.....	100
Waste, all not specially enumerated or provided for.....	do.....	do.....	100
Wax, and manufactures of, not elsewhere specified:			
Beeswax.....	20 per cent.....	do.....	100
Wood, and manufactures of:			
Basswood and other fiber, not otherwise provided for.....	10 per cent.....	do.....	100
Brush, for crib-work.....	do.....	do.....	100
Unmanufactured, not specially enumerated or provided for.....	20 per cent.....	do.....	100
Timber—			
Used for spars and in building wharves.....	do.....	do.....	100
Hewn and sawed.....	do.....	do.....	100
Square or sided, not specially enumerated or provided for.....	1 ct. per cubic foot.....	do.....	100
Lumber—			
Boards, planks, deals, and other sawed lumber, of hemlock, whitewood, sycamore, and basswood—			
Not planed or finished.....	\$1 per M feet.....	do.....	100
Planed or finished on one side.....	\$1.50 per M feet.....	do.....	100
Planed or finished on two sides.....	\$2 per M feet.....	do.....	100
Planed on two sides, and tongued and grooved.....	\$2.50 per M feet.....	do.....	100
All other articles of sawed lumber, not elsewhere specified—			
Not planed or finished.....	\$2 per M feet.....	do.....	100
Planed or finished on one side.....	\$2.50 per M feet.....	do.....	100
Planed or finished on two sides.....	\$3 per M feet.....	do.....	100
Planed on one side and tongued and grooved.....	do.....	do.....	100
Planed on two sides and tongued and grooved.....	\$3.50 per M feet.....	do.....	100
Clapboards—			
Pine.....	\$2 per M.....	do.....	100
Spruce.....	\$1.50 per M.....	do.....	100
Hubs for wheels, posts, last, wagon, oar, gun, and heading blocks, and all like blocks or sticks, rough-hewn or sawed only.....	20 per cent.....	do.....	100
Laths.....	15c. per M.....	do.....	100
Pickets and palings.....	20 per cent.....	do.....	100
Shingles.....	35c. per M.....	do.....	100
Shooks, sugar-box, and packing boxes and packing-box shoeks.....	30 per cent.....	do.....	100
Staves of all kinds.....	10 per cent.....	do.....	100
Cabinetware and house furniture, finished.....	35 per cent.....	30 per cent.....	14
Cedarwood, granadilla, ebony, mahogany, rosewood, and satinwood, manufactures of.....	do.....	do.....	14
Osier or willow, prepared for basketmakers' use.....	25 per cent.....	Free.....	100
Osier and willow baskets, and all other articles composed of, not specially enumerated or provided for.....	30 per cent.....	do.....	100
Rattans and reeds, manufactured, but not made up into completed articles.....	10 per cent.....	do.....	100
All other manufactures of wood, or of which wood is the chief component part, not specially enumerated or provided for.....	35 per cent.....	30 per cent.....	14
Wools, hair of the alpaca, goat, and other like animals, and manufactures of:			
Unmanufactured—			
Class 1, clothing wools: That is to say, merino, mestina, metz or metis wools, other wools of merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Ayres, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3—			
Value 30 cents or less per pound.....	10 cts. per pound.....	Free.....	100

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Wools, hair of the alpaca, goat, and other like animals, and manufactures of—Continued.			
Unmanufactured—Continued.			
Class 1, clothing wools—Continued.			<i>Per ct.</i>
Value over 30 cents per pound.....	12 cts. per pound..	Free.....	100
Washed wool—			
Value (before washing) 30 cents or less per pound.....	20 cts. per pound..	do.....	100
Value (before washing) over 30 cents per pound.....	24 cts. per pound..	do.....	100
Scoured wool—			
Value (before scouring) 30 cents or less per pound.....	30 cts. per pound..	do.....	100
Value (before scouring) over 30 cents per pound.....	36 cts. per pound..	do.....	100
Class 2, combing wools: That is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the alpaca, goat, and other like animals—			
Value 30 cents or less per pound.....	10 cts. per pound..	do.....	100
Value over 30 cents per pound.....	12 cts. per pound..	do.....	100
Scoured wool, value (before scouring) 30 cents or less per pound.....	30 cts. per pound..	do.....	100
Class 3, carpet wools, and other similar wools: Such as Donskol, native South American Cordova, Valparaiso, native Smyrna, and including all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere—			
Value 12 cents or less per pound.....	2½ cts. per pound..	do.....	100
Value over 12 cents per pound.....	5 cts. per pound..	do.....	100
Scoured wool—			
Value (before scouring) 12 cents or less per pound.....	7½ cts. per pound..	do.....	100
Value (before scouring) over 12 cents per pound.....	15 cts. per pound..	do.....	100
Wool on the skin the same rates as other wools.....		do.....	100
Manufactured—			
Balmorals—			
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per ct.	40 per cent.....	41
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per ct.	do.....	39
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per ct.	do.....	41
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per ct.	do.....	40
Belts or felts, endless, for paper or printing machines.....	20 cts. per pound and 30 per ct.	30 per cent.....	24
Blankets—			
Valued at not exceeding 30 cents per pound.....	10 cts. per pound and 35 per ct.	40 per cent.....	50
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per ct.	do.....	37
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per ct.	do.....	43
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per ct.	do.....	42
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per ct.	do.....	43
Bunting.....	10 cts. per sq. yd. and 35 per ct.	do.....	50
Carpets and carpeting of all kinds—			
Aubusson, Axminster, and Chenille carpets, and carpets woven whole for rooms.....	45 cts. per sq. yd. and 30 per ct.	do.....	15
Brussels carpets.....	30 cts. per sq. yd. and 30 per cent.	do.....	32

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Wools, hair of the alpaca, goat, and other like animals, and manufactures of—Continued.			
Manufactured—Continued.			
Carpets and carpeting of all kinds—Continued.			
Druggets and bookings, printed, colored, or otherwise.....	15 cts. per sq. yd. and 30 per cent.	40 per cent.....	<i>Per ct.</i> 46
Mats, screens, hassocks, and rugs, not exclusively of vegetable material.....	40 per cent.....	do.....	
Of wool, flax, or cotton, or parts of either, or other material, not specially enumerated or provided for.....	do.....	30 per cent.....	25
Patent velvet and tapestry velvet carpets, printed on the warp or otherwise.....	25 cts. per sq. yd. and 30 per cent.	40 per cent.....	27
Saxony, Wilton, and Tournay velvet carpets.....	45 cts. per sq. yd. and 30 per cent.	do.....	26
Tapestry Brussels, printed on warp or otherwise.....	20 cts. per sq. yd. and 30 per cent.	do.....	35
Treble ingrain, three-ply, and worsted-chain Venetian carpets.....	12 cts. per sq. yd. and 30 per cent.	do.....	13
Yarn, Venetian, and two-ply ingrain carpets.....	8 cts. per sq. yd. and 30 per cent.	do.....	11
Clothing, ready-made, and wearing apparel (except knit goods), not specially enumerated or provided for, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other (like) animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer—			
Cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and goods of similar description, or used for like purposes.....	45 cts. per pound and 40 per cent.	45 per cent.....	34
Clothing, ready-made, and wearing apparel of every description not specially enumerated or provided for, and balmoral skirts and skirting, and goods of similar description or used for like purposes.....	40 cts. per pound and 35 per cent.	do.....	17
Cloths, woollen—			
Valued at not exceeding 80 cents per pound.....	35 cts. per pound and 35 per cent.	40 per cent.....	55
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	do.....	42
Dress goods, women's and children's, coat linings, Italian cloths, and goods of like description—			
Composed in part of wool, worsted, the hair of the alpaca, goat, or other animals—			
Valued at not exceeding 20 cents per square yard.....	5 cts. per sq. yd. and 35 per cent.	do.....	41
Valued at above 20 cents per square yard.....	7 cts. per sq. yd. and 40 per cent.	do.....	32
Composed wholly of wool, worsted, the hair of the alpaca, goat, or other animals, or of a mixture of them, and all such goods of like description, with selvages made wholly or in part of other materials, or with threads or materials introduced for the purpose of changing the classification—			
Weighting 4 ounces or less per square yard.....	9 cts. per sq. yd. and 40 per cent.	do.....	52
All weighing over 4 ounces per square yard.....	35 cts. per pound and 40 per cent.	do.....	43
Flannels—			
Valued at not exceeding 30 cents per pound.....	10 cts. per pound and 35 per cent.	do.....	46
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per cent.	do.....	40

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Wools, hair of the alpaca, goat, and other like animals, and manufactures of—Continued.			
Manufactured—Continued.			
Flannels—Continued.			
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per cent.	40 per cent.....	<i>Per ct.</i> 41
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per cent.	.....do.....	41
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	45
Hats of wool—			
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per cent.	.....do.....	45
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per cent.	.....do.....	45
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per cent.	.....do.....	40
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	23
Knit goods, and all goods made on knitting frames—			
Valued at not exceeding 30 cents per pound.....	10 cts. per pound and 35 per cent.	.....do.....	53
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per cent.	.....do.....	39
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per cent.	.....do.....	42
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per cent.	.....do.....	43
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	36
Rags, shoddy, mungo, waste, and flocks, woolen.	10 cts. per pound.	Free.....	100
Shawls, woolen—			
Valued at not exceeding 80 cents per pound.....	35 cts. per pound and 35 per cent.	40 per cent.....	55
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	39
Composed wholly or in part of worsted, the hair of the alpaca, goat, or other animals.....	40 cts. per pound and 35 per cent.	.....do.....	35
Webbings, gorings, suspenders, braces, beltings, bindings, braids, galloons, fringes, gimps, cords, cords and tassels, dress trimmings, head nets, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, wrought by hand or braided by machinery, made of wool, worsted, the hair of the alpaca, goat, or other animals, or of which wool, worsted, the hair of the alpaca, goat, or other animals is a component material.....	30 cts. per pound and 50 per cent.	50 per cent.....	24
Yarns, woolen and worsted—			
Valued at not exceeding 30 cents per pound.....	10 cts. per pound and 35 per cent.	40 per cent.....	42
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per cent.	.....do.....	41
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per cent.	.....do.....	41
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per cent.	.....do.....	42
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	42

Comparison of rates of duty proposed by H. R. 9051—Continued.

Articles.	Present rates of duty.	By H. R. 9051.	
		Rates.	Reduction.
Wools, hair of the alpaca, goat, and other like animals, and manufactures of—Continued.			
All manufactures of every description not specially enumerated or provided for, made wholly or in part of—			
Wool—			<i>Per ct.</i>
Valued at not exceeding 80 cents per pound.	35 cts. per pound and 35 per cent.	40 per cent.....	55
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	38
Worsted, the hair of the alpaca, goat, or other animals (except such as are composed in part of wool)—			
Valued at not exceeding 30 cents per pound.	10 cts. per pound and 35 per cent.	.....do.....	48
Valued at above 30 and not exceeding 40 cents per pound.....	12 cts. per pound and 35 per cent.	.....do.....	42
Valued at above 40 and not exceeding 60 cents per pound.....	18 cts. per pound and 35 per cent.	.....do.....	41
Valued at above 60 and not exceeding 80 cents per pound.....	24 cts. per pound and 35 per cent.	.....do.....	41
Valued at above 80 cents per pound.....	35 cts. per pound and 40 per cent.	.....do.....	44
Zinc, spelter, or tuttenegue, and manufactures of:			
In blocks or pigs.....	1½ cts. per pound..	1½ cts. per pound..	17
In sheets.....	2½ cts. per pound..	2 cts. per pound..	20
Old worn-out, fit only to be remanufactured.....	1½ cts. per pound..	1½ cts. per pound..	17
Manufactures of, not specially enumerated or provided for.....	45 per cent.....	40 per cent.....	11
Sacks, crates, boxes, etc., designed to evade duties thereon (section 7, act of March 3, 1883).....	100 per cent.....	Repealed.....	100

VIEWS OF THE MINORITY.

The views of the minority, presented by Mr. HARRIS, are as follows:

House bill No. 9051, "To reduce taxation and simplify the laws in relation to the collection of the revenue," passed the House of Representatives on the 21st day of July, 1888, and was referred to the Senate Committee on Finance on the 23d day of the same month.

The majority of the committee, not being willing to accept the House bill as a basis of revision of existing revenue laws and to correct existing evils, decided to strike out all after the enacting clause and report an entirely new bill.

In the preparation of this substitute no member of the minority of the committee was consulted or informed as to its provisions until it was reported to the full committee on the 25th day of September, 1888.

The chairman of the committee in May last appointed a subcommittee to hear such persons as wished to be heard upon the revenue question, and much time has been consumed and thousands of pages have been printed of the statements, arguments, and appeals of manufacturers and others, who demand that the present high rate of

tariff taxation shall be maintained and in most instances increased, prompted not by any revenue necessities, but alone for the purpose of increasing their own profits at the expense of 60,000,000 of taxpayers.

It is safe to say that all the interests benefited by a high protective tariff have been fully heard and have had much influence in shaping this substitute, while the great body of the people, the taxpayers and victims of this policy, have not appeared and have not been heard.

The short time that the substitute has been in the hands of the minority of the committee and the many changes made in existing classifications, as well as changes from ad valorem to specific duties, and the many compound duties imposed, render it difficult for the minority to approximate with satisfactory certainty the extent to which tariff taxation is increased or diminished upon the articles included in the various schedules or what effect these changes will probably have upon the amount of revenues to result from such changes.

The essential difference between the House bill and the Senate substitute is apparent and radical at the outset in the matter of revenue. The one is framed in the interest of the public treasury; the other in the interest of private pockets. The one is framed in the interest of the whole people; the other in the interest of a few thousand manufacturers. The one is designed to reduce both government revenue and taxation, the taxation especially which bears heaviest on the necessities of life; the other is intended to raise public revenue indeed, but to maintain private revenues by increasing and retaining taxation on all the necessities of life.

The advocates of the substitute freely propose to reduce duties or abolish them on those things which yield only government revenue, but refuse to reduce or abolish duties on those things which produce private revenue. This purpose is avowed and is defended on the ground that it is all for labor. When it is remembered that the average tariff duty on all manufactured goods is 47 per cent and the average share of labor therein is about 20 per cent, it will be seen that their love for the workingman is based on the other 27 per cent, which they pocket. Having robbed him of more than half of the bonus which the law gives the workingman, they can well afford to love him, and that love will continue unabated until he insists on having all the law gives him.

But the minority think it safe to say that the chief reductions in tariff taxation as provided by the substitute are confined to the articles of sugar and rice, with jute, jute butts, molasses, zante, currants, and a few other unimportant articles put upon the free list, while there is an increase of duties imposed upon the multiform manufactures of cotton, wool, iron, and steel—articles that the whole people, and especially the poor and most needy classes, are compelled to use.

The substitute relieves the nonnecessary, tobacco, in all its forms, except cigars, cheroots, and cigarettes, from internal taxation, and gives free alcohol to the arts. Taking the tax off tobacco will reduce revenue about \$24,000,000, and it is estimated that the tax taken from alcohol for the arts will make a further reduction of about \$7,000,000. But in view of the impossibility of preventing frauds upon the revenue that should be derived from distilled spirits used

for purposes other than the arts the loss of revenue may be safely estimated at many times \$7,000,000.

Practically the substitute offers to the people free whisky and free tobacco, leaving all the expensive machinery for the collection of the revenue and enforcement of the law in full force, while it increases taxation upon the actual and indispensable necessities of life, and this, too, when there is a large surplus in the Treasury, and under existing laws that surplus is being increased at the rate of over \$10,000,000 per month, thus withdrawing and withholding from the channels of trade, commerce, and business of the country money absolutely necessary to their successful operations.

But to better illustrate let us refer to the following schedules: Take Schedule C, metals.

In no single instance is the policy upon which the substitute was framed more clearly demonstrated than in that of railway iron.

The cost to produce rails at a leading mill in the United States in 1887 was less than \$27 per ton, of which less than \$4.25 per ton was paid in wages.

The present rate of duty on steel rails is \$17, and by the substitute it is reduced to \$15.68 per ton. The question arises whether this will reduce the wages of the operatives \$1.32 or whether \$11.43 bounty above the whole cost paid for labor will satisfy the manufacturers.

The labor cost in a ton of steel rails being \$4.25, on the pretense that this is so much higher than the former wages the burden of \$15.68 is thus laid upon every ton of steel rails imported into the United States, and thus governing the prices here in order to equalize the difference in domestic and foreign wages.

This burden is laid upon the transportation of the country, on its foreign trade measured by the amount of duty collected, but where it is transferred to our internal commerce, the burden is measured by every pound of rails over which that commerce has to pass, and ultimately falls with crushing weight upon the agriculturist, whose bulky products must seek a foreign market over these tax-laden roads and in foreign ships; and when these foreign markets are reached, these products must compete with the pauper products of the cheapest labor to be found anywhere under the sun.

The House bill made a great stride for the farmer's relief when it reduced this tax to \$11 per ton.

The rods out of which the farmer's wire fence is made are not apparently changed in rate, but by various changes in classification actual and important additional burdens are imposed. A reduction in dutiable value from $3\frac{1}{2}$ to 3 cents per pound weight accomplishes this. An additional size, No. 6, added without an apparent change of rate does adroitly increase the rate paid on wire rods of this size from 45 per cent to about 54 per cent, and is an increased tax on this one size of wire rods of nearly \$300,000, upon the basis of the importations of 1887, and there is added a proviso by which rods smaller than No. 6 are classified as wire, and thus effect a third distinct increase of tax in this one section—and this is called part of a "system," and rightly so called.

Steel ingots, cogged ingots, billets, bars, etc., now pay 45 per cent duty if valued at less than 4 cents per pound. By the substitute, if valued at 1 cent or less, they are dutiable at one-half cent per pound; and as some of these items were valued at seven-tenths of a cent per

pound in the imports of 1887, the rate of one-half cent is an increase from 45 to over 70 per cent, and nearly a million dollars tax added by this one section.

Cotton ties also receive careful consideration by the majority. It is not enough that the most formidable and insolent trust which ever laid its hand upon the throat of honest labor, threatening every class, from the poor colored cotton picker whose few pounds of crop he could not get to market for lack of means to wrap it, to the merchant and capitalist who had advanced the necessities of life to sustain that labor through the season. To these come the proposed revision, not with helping hand, but other burdens, and the cotton ties which their own friends had reduced to 35 per cent in the tariff of 1883 (one of the bright oases in a desert of iniquity) they omit by name, but include in a new classification, so that instead of 35 per cent it must pay according to the valuation of 1887 over 100 per cent, adding nearly a quarter million dollars tax on the imported ties alone, all of which is a loss to the cotton producer. Even with this they are not content, but still further tax the struggling agriculturist in this schedule by raising the duties on trace chains, and all other kinds less than three-eighths of an inch thick, from $2\frac{1}{2}$ cents, which is equivalent to 44.37 per cent, to 3 cents per pound, equivalent to a rate of 53.57 per cent. Can ingenuity go further?

That taggers iron should be raised from 30 per cent to 65 per cent; that table cutlery for the poor should be raised by specific rates added to ad valorem; that knives for the poor should be more heavily taxed and made cheaper for the rich; that breech-loading shotguns should be made cheaper for the \$200 grade and dearer for the \$15 grade by making each pay the same tax, \$10 and 25 per cent ad valorem; all these and more are no longer startling, and prepare the mind for a thousand other inconsistencies and discriminations hidden by new and obscure classifications that only time and patient investigation will reveal.

COTTON SCHEDULE.

In this schedule again the great process of "leveling up" is called into requisition, to what end or for what purpose who can say? For instance, medium yarns are raised 3 cents per pound—they are already paying about 45 per cent tariff tax. Is this to pay the difference in wages here and abroad? Hardly, since by the census of 1880 it is shown that cotton goods workers are only paid 21.06 per cent of the product. They do not get half of the present tariff, yet it is proposed to still further increase the rate. By changes in classification and by new subdivisions, still further complicating the administration, and by changes in rates, in effect principally increasing taxes, most glaring inconsistencies and discriminations are perpetrated in this so-called revision.

Cotton yarns pay about 50 per cent. Cotton cloths made from this yarn pay 45 per cent, while the clothing ready made by the tailor or seamstress from this cloth must pay 40 per cent. Hosiery is made dearer for the poor, but undisturbed for the rich. A sock worth 75 cents per dozen must pay 60 cents per dozen and 20 per cent ad valorem, or 100 per cent, but after they reach \$3 per dozen in value the tax is left at the old rate.

Collars are raised from 30 per cent to 80 per cent and upwards on the cheaper kinds of linen or cotton.

WOOLEN SCHEDULE.

The substitute not only retains a duty on raw wool, but increases the duty from 10 to 11 cents a pound on clothing and combing wool, and the existing duty is retained on carpet wools, which all parties agree are not produced in this country, and the changes made in the manufactures of wool increases the taxation, and to that extent increases the cost of the manufactured article, and especially the cheaper grades—the clothing of the poor.

To illustrate, take this example: The cheapest woollen dress goods, costing only 15 cents a square yard, are taxed by the substitute 6 cents a square yard and 40 per cent ad valorem, making the whole tax thus imposed 80 per cent.

On dress goods wholly of wool the duty is increased from 9 cents a square yard and 40 per cent ad valorem to 11 cents per square yard and 40 per cent ad valorem, making an increase of taxation on this single article upon the basis of the importations of the fiscal year 1887, when 31,136,149 yards were imported, of \$622,722.

And as these goods only cost an average of 21 cents a yard in the foreign market and under existing law are taxed 82.96 per cent ad valorem, they are by the substitute increased to 92 per cent ad valorem.

Of this class of goods we imported in the fiscal year 1887, \$6,522,568 worth, upon which we collected \$5,411,280, with many times that amount extorted from consumers in the form of bounty to the manufacturers.

But the people will better understand the effect of this change when they see that they are paying in the form of taxation about 19½ cents upon a square yard of goods that cost in the foreign market only 21 cents a yard, making the cost to the consumer 40½ cents a yard.

While it is impossible for the minority to state the exact amount of the increase of the revenue resulting from these changes, it is confidently expected that there will be an increase of revenue upon these three schedules of at least ten millions of dollars per annum.

LUMBER.

The duty on lumber is practically left undisturbed, and an aggravated tax thus continued on the whole people, and more particularly upon the distant farmers and settlers whose shelter must be brought from great distances, and the tax thus retained inures to the benefit of but a few individuals to the distress of millions.

SALT.

Bulk salt, which is now dutiable at nearly 80 per cent, is continued in the substitute at the same rate. Salt is a product of the sea and earth, which nature's God bestowed upon man for his use. So free is it in nature's plan that a little sea water exposed to the sun-heat and the air, nature's own factory, and the residuum is salt. Wherever found we employ the great forces of steam and electricity instead of manual labor in preparing it for use. Why a tax should be imposed on an article so easy of production and of such prime necessity and universal use it not shown. The existing law gives free salt

to the fishery interests of New England and taxes salt to the farmer and dairyman. The House bill makes salt free of tax to all.

PROVISIONS.

Macaroni and vermicelli, put upon the free list long ago for the benefit of the poor, are now taken from the free list and burdened with a tax of 2 cents per pound, over 35 per cent ad valorem.

Animals, live, are made dutiable at specific rates, at \$20 per head for horses and mules.

Animals for breeding purposes are now free, and over two and a quarter million dollars worth of breeding horses were imported in the year 1887 for the purpose of improving the stock of this country, and on this importation alone the farmers of the country would pay under the proposed substitute over \$300,000 more tax than now.

And other animals now paying 20 per cent are taxed at the same rate as the more valuable breeding animals. None are benefited but the wealthy. A \$10,000 coaching team of six, which costs \$2,000 to import under the present law, may come in under the substitute at only \$120, while six bronchos from across our southern border, worth \$10 a head, which would now come in for \$24, must, under the proposed substitute, pay 200 per cent.

TRUSTS.

The present tariff is the nursing mother of trusts. It is the wall behind which these combinations are formed, by which the people are plundered. Tariffs keep out the foreign competition and the combination suppresses the domestic, and the whole people are at their mercy and must pay whatever is demanded. Language is inadequate to describe the iniquity of these corporations against the rights of the people or to depict their disastrous effects upon the general welfare. As the tariffs, which render trusts possible, are established and maintained at the special instance of those who form them, it would seem but simple justice as well as good policy to tear down as much as possible of their covert and refuse to longer aid them in wrong-doing. They are not "private affairs," as has been asserted, but public evils of the gravest character, affecting the price of every article which contributes to the comfort and support of the people. The provisions of the substitute favor them greatly, and will serve to encourage their formation in still other branches of manufacture. Many of those belonging to trusts appeared before the Finance Committee, clamorous for such legislation as would promote their interests. They are all opposed to the House bill, which should commend it to all who condemn their methods. It is bad enough to permit those who are most interested—manufacturers—to appear before our committees and suggest the legislation they wish, but surely we should not listen to the trusts and aid them to rob with both hands.

The minority can not pass by in silence the absurd accusation that the House bill means "free trade," "the ruin of industry," and the "degradation of American labor." These charges are as false as they are misleading. How the flow of surplus money into the Treasury can be stopped without reducing the taxes which produce it no man can devise: how these taxes can be reduced without taking off from the

top toward the bottom no imagination can conceive. Therefore, it would seem, no man can propose to cut off excessive taxation without subjecting himself to the charge of "free trade," because any reduction whatever "looks toward free trade." True, government revenues might be reduced by making duties so high as to prohibit importations altogether; but that is the other end of the road, which increases the taxes paid to private persons. If the first method of reduction leads to free trade the other leads to free plunder, which is worse.

Republican Presidents and Secretaries of the Treasury for years past have warned Congress of the accumulating surplus and advised the reduction of taxes. Were they all free traders, advising the destruction of industry and the degradation of labor? The Tariff Commission of 1882, composed of 9 men, 8 of whom, at least, were protectionists, after perambulating all the country east of the Rocky Mountains, admitted the urgent necessity of reduction, and reported a bill which they said would lower taxes 25 per cent. They said:

Any amelioration of the unnecessarily burdensome restrictions bearing upon the importations, provided the duties required for the equalization of the different conditions of capital and labor here and abroad are preserved, is a boon not only to commerce considered as a separate national interest, but to production.

That which, with them, was "a boon to production," when offered by the House bill becomes free trade and the ruin of production. They were not accused of free trade or hostility to labor; on the contrary, their report was welcomed and applauded by the entire body of protectionists in this chamber. The Finance Committee based its bill, which is the present law, upon it, and announced that it would reduce duties at least 20 per cent; yet all advocates of the House bill, which reduces only 5 per cent, are free traders, so denounced by those who in 1883 proposed a cut in duties four times as great. It is safe to say that there is not a Senator in this body, or a man in any way prominent in the councils of the Republican party in the United States, who, at one time or another, has not admitted the necessity of reducing taxes in order to stop the surplus. They are, therefore, free traders, and desire the ruin of industry and the degradation of labor.

The minority respectfully submit that those are the enemies of industry who so enhance the cost of the raw material as to restrict its production and limit its markets; and those are its true friends who cheapen its material and enlarge its production and its markets. They further submit that those are the enemies of American labor who supplant it with the labor of unnaturalized foreigners, whenever they can be obtained cheapest, and who receive by the law 47 per cent from the consumer in trust for the American labor which makes their products, and fraudulently withhold more than half that trust fund from its owners, and who also lessen and restrict the amount of labor by limiting production and markets by tariffs and trusts; and that those are its true friends who seek to shut off unnatural and heathen competition, enlarge its products and markets, and to lessen for it the cost of the necessities of life.

THE WAGE SCARE.

In a country like our own, where the direction of legislation is determined by the general suffrage, it is only possible for the favored few to secure their bounties by an appeal to the multitude of wage-

workers, and the enlistment of their sympathies through their interests, real or imaginary.

So far has this been done in support of the present system that the bread-winners have loaded themselves down with unnecessary and extravagant taxes in hope of fancied returns in better wages and more work, until at last it has become apparent to many at least that taxation does not enrich the man who pays the taxes, and it only needs intelligent comparison of the effects of past legislation to convince any fair-minded man of the beneficial results to be expected from a reduction of the burdens of the people.

Cotton was long ago placed upon the free list. Did that make free traders of those who voted for that measure? Did it reduce the wages of operatives in cotton or close the cotton mills, or did it destroy the cotton plantations? On the contrary, we have grown more cotton than ever since that legislation; we have exported more cotton than ever. Our cotton mills are more profitable to-day than any other, and our cotton operatives have steadier work and better wages than those who work in other mills; and we export their finished products by the hundred million yards, while protected wool has stopped one-fourth of the woollen machinery and thrown 25 per cent of the woollen operatives out of employment.

More than a decade and a half ago hides were placed upon the free list. Did that destroy the leather industry in this country? On the contrary, we lead the world in its manufacture, save in a few minor branches, and, with a largely increased population, our importations of leather have decreased and our exportations of finished products have increased.

We do import more hides than formerly because our own supply is insufficient, but this raw material furnishes labor to many hands and adds to our national wealth. We imported last year upwards of twenty-four million dollars' worth of hides free. Does that make free traders of those who made hides free; and if \$24,000,000 of free hides does not make one free trader, does two-thirds as much free wool make free traders of half our people?

What has happened with cotton and with hides it is confidently believed and promised will happen with free wool. Our production of wool will increase, our manufactories will revive, our woollen operatives will have steadier work and therefore better wages. Our products of woollen goods will increase and as well our exportations of woollen goods to foreign countries. Not ten years ago quinine was placed upon the free list against protests louder and more vehement than are heard now about the wanton destruction of an honorable industry—with what result? With immensely increased production in this country, without one cent loss of wages to operatives; but, on the contrary, to their great gain, for as we now make two and a quarter million ounces it can not but mean steadier work to more employees, and the shivering consumer reaps a benefit measured not by cents but by dollars per ounce, and the only destruction which followed in the wake of this reduction was of what was then the most formidable trust in existence. The monopoly went down and legitimate manufacture prospered.

Here is a case where, with benefit both to the employee and the consumer, the placing upon the free list of a finished article was

immediately followed by a wonderful cheapening of that product, and it is quite as just to claim the decline in price was entirely due to the removal of the duty as that other claim so often made, that the imposition of duty reduces prices by competition, and in proof of which is cited the general decline of prices in this country, due, as is claimed, to the tariff, ignoring the discovery of new supplies and improvements in methods of manufacture and the supplanting of manual labor in every department of life with inanimate machinery operated by natural forces intelligently controlled.

Take the agriculturist, for example, and note the fearful decline in his returns in a half dozen years. In 1886 nearly 18,500,000 acres more land was cultivated and planted in cereal crops than in 1881 and more than three-fourths of a billion more bushels of grain were raised and sold; yet, instead of receiving nearly \$400,000,000 more for the extra outlay of labor and capital on lands poorer on the average than those already occupied, the farmers of the country suffered a loss in values on those grain crops alone of over \$600,000,000 on that year's harvest as compared with the values of 1881.

Everything declines save the taxes, and these same farmers, who must send their surplus abroad to find a market, found, on bringing the reduced returns of their crops home, that notwithstanding they were enabled to buy foreign products slightly cheaper than before, their taxes had been increased in that period, and that they were compelled in 1886 to pay more than \$2.30 customs dues on each \$100 worth imported, more than they did for like importations in 1881; and to-day those taxes are nearly \$4 more per \$100 worth than in 1881.

And when, in view of the above-cited facts of a decline of about 33½ per cent in the value of his crops in 1886 below the values of 1881, he asks that for to-morrow his taxes be made \$3 less per \$100 than in that same year 1881, he is met with the cry of free trader, and that is considered argument enough.

FREE WOOL.

The minority are firmly convinced that besides the incalculable advantage to the whole country which would result from the placing of wool upon the free list, it is easily demonstrable that no class will suffer, but that each will reap his share of the benefit.

With a consumption of 600,000,000 pounds of raw wool in 1887 and a population of 60,000,000, the average per capita consumption is easily reckoned at 10 pounds, or 50 pounds to the average family of five persons, and the northern farmer, constantly exposed to the rigors of our winters, consumes something more than the average.

It requires from 3 to 4 pounds of raw wool to make a pound of cloth, so that from 12 to 16 pounds of woollen clothing for the family will be seen to be a low average. This is now taxed from 55 to nearly 90 per cent. The manufacturer is not benefited, because his finished product comes into competition with the foreign product made not only from untaxed wool, but cheaper wool.

It is reckoned that 3½ pounds make a pound of cloth, and when the manufacturer pays 10 cents per pound duty he is supposed to be compensated therefor by the specific duty of 35 cents per pound on his woollen goods. Now, this is on the assumption that 3 pounds of raw

wool make 1 of scoured wool—that is, that the wool shrinks in the cleaning not above 66 $\frac{2}{3}$ per cent.

But many South American and other wools contain more than that proportion of foreign matter, running as high as 75 and 80 per cent. This wool our manufacturer can not buy, because his tax on the cloth would then run from 45 to 60 cents per pound, and his compensatory duty is only 35 cents. Therefore for these wools the foreign dealer finds no American competitor in the market and buys them at his own price, and these cheaper wools, untaxed and manufactured abroad, compete here with unfair advantage with our own heavily handicapped woollens, and successfully, too.

Now, if the tax be taken off wools our manufacturers at once become bidders for this wool against the foreign manufacturer, and as a certain consequence the price will rise, and this operates doubly against the foreign manufacturer. He buys his wools dearer and meets untaxed in our markets corresponding grades.

We will import more wools, of course, and in no other way can our great factories prosper, because their capacity is beyond our own wool production. When the factories are turning out more product the employees have steadier work and better wages, and indirectly, of course, the whole country is benefited.

Under the House bill the manufacturers, with free wool, secure even a higher competitive advantage over the foreign than under the present law or the substitute. The manufacturers will export woollen goods as we now export cotton and leather, and the demand for the wool will better the wool market and encourage increased production, while the average wool grower himself will reap from cheapened clothing more benefits than he ever did from a tax on his product, which he must himself pay.

The minority, therefore, dissenting from the report of the majority, commend to the Senate and the country the bill of the House of Representatives, No. 9051, as a measure for the reduction of taxes based alike upon justice and good policy.

As the best exposition of the effect of bill H. R. 9051 upon taxation and revenue, the report of the majority of the Committee on Ways and Means, submitted with the bill to the House of Representatives, is hereto appended,^a with our concurrence.

ISHAM G. HARRIS.

Z. B. VANCE.

D. W. VOORHEES.

I concur in the above report, indorsing the House bill in respect to articles placed upon the free list, but desire some modifications in the dutiable list.

J. R. McPHERSON.

THE VIEWS OF HON. JAMES B. BECK, OF THE MINORITY OF THE COMMITTEE.

Not having seen the bill proposed by the Republican majority of the Finance Committee of the Senate until within the last few days, and having no idea what sort of report will accompany it, except that it is

^a See p. 15 for this report.

announced in the public press that it will contain an elaborate and bitter attack on the propositions and principles contained in the bill that came from the House of Representatives, and being further advised that the views of the minority are expected to be ready promptly, as the subject will be brought before the Senate very soon, I can only enter my protest against the principles presented by the Republican majority of the Senate committee, and give in a general way the reasons I have for supporting the principles presented by the House bill. That bill is an earnest effort to reduce taxation by diminishing the cost of the raw materials used by American manufacturers, so as to enable them to compete in the markets of the world with their foreign competitors who produce similar goods. It proceeds upon the recognized fact that raw materials are not consumed in that form, but are necessary for the production of commodities to which the industry of the country may be properly applied; and it is an honest effort to reduce the cost to the American consumer of the goods which they must necessarily have, retaining as far as possible such taxes as are imposed upon articles which the people may use or not just as they please, and the proceeds of which taxation, less the cost of collection, reaches the Treasury of the United States. It seeks to promote trade with all the world, to restore and build up our lost commercial marine, and thus exchange commodities with other people upon somewhat fair and equal terms.

The struggle of the majority of the Senate Committee on Finance seems to be—its effect certainly is—to close our ports as far as possible against commerce from abroad, to make our people dependent for their supplies upon the products of the machinery of the home manufacturer, by limiting and restricting their right to use manufactured articles to such as American producers furnish and at such prices as they see fit to exact, the obvious effect being to surrender to other nations the trade and commerce of the outside world and subject our exports to such extortions in freight charges as combinations of foreign shipowners see fit to exact. The Senate substitute, when carefully examined, will show that in every feature of it it aims to increase the cost of the goods he needs to the home consumer, and to close the markets of the world against imports and exports as well, except such as are purely agricultural and have to be sold abroad for any price they will bring in free open market with foreign competition. Under it we can have no successful commerce, no return cargoes, indeed, no ships in the foreign trade, and no sailors except such as hover around our coasts protected by the combinations and monopolies in our coastwise trade where all competition is excluded.

This attempt by the majority of the committee to restore specific instead of ad valorem rates simply means, no matter what pretenses may be set up, that the goods used by the poor shall be taxed out of all proportion to those used by the rich, and that the people shall derive no benefits and no reduction of taxation from the invention of new machinery or economic processes made or devised, either at home or abroad, which cheapen the cost of the production of goods. Specific rates exclude the consumer from all benefit of all the progress of science, skill, and invention in cheapening production, while the blanket that costs \$1, which only the poor buy, pays the same tax as the blanket that costs \$3; and, as the committee were shown in New York, on our visit there to prepare a bill to guard against under-

valuation, the bridal veil costing \$2,000 in Paris would pay no more tax than the imitation article which cost \$50. All that, however, is in the interest of the combinations of wealth and power, which alone seem to be worthy of consideration by the majority of the committee. They need no ships, they need no commerce, they seek to exclude imports which may compete with them, and they refuse to sell their goods at such prices as the people abroad will buy them at; therefore the seas might as well, for their purpose, be oceans of fire instead of God-given highways for the world's commerce. The right to plunder all our people is all they ask; that seems to be the object which the majority of the Finance Committee, by their bill, endeavor to attain.

The question now presented is not one of temporary taxation. The pretenses upon which high-tariff taxes are now demanded will be as strong fifty years hence as they are at present. It is no longer infant industries that are clamoring. The manufacturers are stalwart giants now, with machinery equal to the best in the world, and much of it imported from foreign countries and owned by foreigners, who bring it and their workmen here to secure the subsidy Congress gives them, as was confessed by the men engaged in the bagging conspiracy and by many others who appeared before the committee, as their statements show. They control this market against foreign-made goods, and with their machinery at home control all foreign markets against our products.

The Republicans now confess in their platform and the measures they advocate that they never intend that American goods shall be sent for sale into foreign markets, because they know that the ground upon which they demand protection, to wit, the difference in wages here and in other countries, will continue for generations to come, so long indeed as the free lands of this continent are open to homestead settlers. Their affected interest in American labor is simply a false pretense; their whole course has been opposed to the interests of labor, as shown from the time the high war tariffs were enacted and laws were passed by them for the importation of foreign contract labor from all parts of the earth at the lowest foreign wages, duty free, which allowed the employer of the foreign pauper laborer to follow his serf out like a sleuth hound if he dared to run away, and to sell his humble homestead over his head unless he worked for the pauper wages he had, in ignorance of our wage rates, agreed while in Asia or Europe to take. The country is well advised of the desperate struggles they made to obtain and retain Chinese labor to the exclusion of American workmen. Their efforts in that direction became so flagrant that even Republican Senators had to rise in the Senate and denounce their action.

In 1882, during the discussion of the Chinese question, Senator John F. Miller, Republican, from California, said:

The average American manufacturer is interested generally in two things, namely, the highest protective tariff and the cheapest labor. * * * It is not difficult to perceive the origin of that political economy which suggests high protective tariff and at the same time advocates the admission of servile laborers into this country without limit. It means high prices for the products of manufacture and low prices for the labor which produces them; the aggrandizement of capital and the debasement of labor; greater wealth to the wealthy and greater poverty to the poor.

Before the discussion on this bill closes, and I hope it will be full and exhaustive, the country will see how false their pretenses now are. No man has denounced high protective taxes or praised the low Democratic revenue tariff of 1846 and shown its advantages to all the interests of the country better or more elaborately than the distinguished Senator from Iowa (Mr. Allison), as the records show. Even the Senator from Maine (Mr. Hale), in the Forty-second Congress (Globe, 1st sess., No. 1, p. 34), moved to put salt on the free list, and expressed a desire (p. 80) to have coal added to his proposition. The measure was passed by a vote of 147 to 47, and the amendment of Mr. Farnsworth to Mr. Hale's free-salt proposition (p. 90), made at Mr. Hale's suggestion, making coal free, also passed by a vote of 130 to 57, many Republicans now in the Senate voting for both propositions. And notwithstanding the demand now so earnestly made for free tobacco in every form, when the Democrats of the Senate in 1883 were insisting upon a reduction of the tobacco tax to 8 cents per pound the Republican party were almost a unit in opposition to it, their candidate for the Presidency, Mr. Harrison,^a saying among other things:

I believe that we can not enter into the general subject of tariff reduction, and we ought not perhaps to reduce much now the taxes on those three articles, which I believe the common concurrent consent and common sense of all the people agree should be the last subjects of internal revenue—I mean whisky, beer, and tobacco. I do not announce a doctrine from which I expect any general dissent, certainly not on the Democratic side of the chamber. * * * I come then to say that, in supporting this measure from our Finance Committee we are reducing our internal-revenue taxes to these three articles which by common consent should remain, at least till the indefinite future, upon our list of products upon which excise taxes are to be levied. (Congressional Record, p. 6250, pt. 6, vol. 13, 47th Cong., 1st sess.)

And the distinguished Senator from Ohio (Mr. Sherman) opposed the same proposition in language as strong as he knew how to employ, saying among other things:

Senators on the other side may think from the vote—I can almost refer to it as a party vote, though it is not entirely a party vote—that they can make political capital by reducing the tax on tobacco. I do not believe it. I believe the plain people of this country, as Mr. Lincoln called them, see through it. They are willing to pay the tax on tobacco, on whisky, and on beer. They are the only internal taxes that they are willing to pay, and I am willing to let these three taxes stand as they are until we can gradually reduce them as the condition of our revenue may allow. Strip your internal revenue of all other classes, even if to do so does benefit some of the banks, even if it does repeal taxes that might be kept on a little while longer with no very great injury; yet it confines the system to these three articles, which in every country are the subjects of taxation. Then spread the balance of your reduction on the external taxes, and do what little good you can until the tariff commission enables us to reduce the whole system of external taxes. * * *

Again he said:

But do not give away of our surplus revenue more than half of it on an article which is the proper source of revenue, the legitimate subject of taxation on which the tax is more cheerfully paid and more easily collected than on any other in the whole range or gamut of taxes.

And when on my motion the right was demanded to allow the producer of tobacco to sell \$100 of his own product, it raised a storm of indignation among all the Republican Senators, who are now so

^a Seeking to confine the reduction to taxes on banks, matches, and patent medicines.

clamorous for the protection of the producers of tobacco, that a person who either listened to the debate or reads it now would suppose that the country would have been ruined by even allowing them the slight privilege which was given them by the votes mainly of the Democratic party.

The pretense that they are going to aid chemists, machinists, and others by giving them free alcohol is also a sudden conversion, because every report that has been made by the Treasury Department from the time of Secretary Sherman to the present shows that any effort to do that would simply be the breaking down of all barriers against fraud in the collection of revenue on distilled spirits. It would, however, have the effect which, perhaps, is desired by the Republican gentlemen who deny the existence of trusts, of giving the whisky trust of Peoria, Ill., the right to sell their alcohol at any price they please free from all competition at home or abroad.

But I do not propose now to argue the details of the bill. That, as I have said, will be done to the satisfaction of the country before it leaves the Senate. I shall therefore confine myself to a general statement of the reasons why I support the measure as it came from the House, and oppose that as now presented by the majority of the Finance Committee.

The President of the United States, in his letter of acceptance, has stated the position of his party in regard to taxation, and the principles that ought to govern it so clearly, that I don't know how better to begin a statement of those principles than to quote a few extracts from that letter.

The President says:

Our Government is the creation of the people, established to carry out their designs and accomplish their good. It was founded on justice, and was made for free, intelligent, and virtuous people. It is only useful when within their control, and only serves them well when regulated and guided by their constant touch. It is a free Government because it guaranties to every American citizen the unrestricted personal use and enjoyment of all the reward of his toil and of all his income, except what may be his fair contribution to necessary public expense.

Therefore it is not only the right, but the duty of a free people in the enforcement of this guaranty, to insist that such expense should be strictly limited to the actual public needs. It seems perfectly clear that when the Government, this instrumentality created and maintained by the people to do their bidding, turns upon them and through an utter perversion of its powers extorts from their labor and capital tribute largely in excess of public necessities, the creature has rebelled against the creator and the masters are robbed by their servants. The cost of the Government must continue to be met by tariff duties collected at our custom-houses upon imported goods, and by internal-revenue taxes assessed upon spirituous and malt liquors, tobacco, and oleomargarine.

I suppose, too, it is well understood that the effect of this tariff taxation is not limited to the consumers of imported articles, but that the duties imposed upon such articles permit a corresponding increase in price to be laid upon domestic productions of the same kind, which increase, paid by all our people as consumers of home productions and entering every American home, constitutes a form of taxation as certain and as inevitable as though the amount was annually paid into the hands of a taxgatherer. These results are inseparable from the plan we have adopted for the collection of our revenue by tariff duties.

And yet this is our condition. We are annually collecting at our custom-houses and by means of our internal-revenue taxation many millions in excess of all legitimate needs. As a consequence there now remains in the National Treasury a surplus of more than \$130,000,000. No better evidence could be furnished than that the people are exorbitantly taxed. The extent of the superfluous burden indicated by this surplus will be better appreciated when it

is suggested that such surplus alone represents taxation aggregating more than \$108,000 in a country containing 50,000 inhabitants.

Taxation has always been the feature of organized government the hardest to reconcile with the people's ideas of freedom and happiness. When presented in a direct form nothing will arouse popular discontent more quickly and profoundly than unjust and unnecessary taxation. Our farmers, mechanics, laborers, and all our citizens closely scan the slightest increase in the taxes assessed upon their lands and other property, and demand good reasons for such an increase. And yet they seem to be expected, in some quarters, to regard the unnecessary volume of insidious and indirect taxation visited upon them by our present rate of tariff duties with indifference, if not with favor.

General Harrison, in his letter, controverts all the positions taken by the Democratic party, but states the truth very pointedly when he says: "It is not a contest between schedules, but between wide-apart principles." In that I agree with him, and am willing to go before the country on that issue.

There is no dispute about the fact that the present surplus in the Treasury, which is not only needless but dangerous and corrupting in all its tendencies, must continue to increase unless taxation is reduced, and it is equally true that that surplus was produced by the maintenance of unnecessary and, therefore, unjust and oppressive taxation, against the protest of the Democratic party, by the Republican leaders, who are now opposing tariff reduction.

Until now it has been conceded by all men that tariff taxation ought to be reduced from the existing war standard to a peace footing. It is needless to go into detail to show that the present tariff taxes were intended to be only temporary, and were imposed to compensate the manufacturers for the oppressive internal-revenue taxes, which were placed upon them and all others by the necessity of war. Senator Morrill and all the advocates of protection publicly proclaimed that over and over again, and inserted it in the preamble of the acts "temporarily" increasing tariff taxation.

The Senator from Vermont (Mr. Morrill) had charge of the bill of 1864 in the House of Representatives. His speech, made when he presented it, will be found in the *Globe* of June 2, 1864. He said, among many other things:

The Treasury requires a larger supply of means, and such sources of revenue as have not already yielded their maximum contributions must now be sought, so that we may fill the measure of our wants. This has made an increase of internal duties necessary, and that increase to a considerable extent imposes upon us the duty as well as affords us the power of obtaining an increased revenue from duties on imports from abroad. The withdrawal of the large number of men now in the field from industrial pursuits leaves a paucity of numbers at home, thereby advancing wages and the cost of living, so that a bushel of corn, a pound of wool, a yard of cloth, or a ton of iron can not now, even reducing the currency to a specie standard, be produced at the same cost that they were three years ago. With the tariff considerably increased and even if we had no internal taxes to pay, our people will hardly find it less difficult to compete with foreign productions and manufactures than they did in times of peace without any increase of tariff. And when we impose a tax of 5 per cent upon our manufactures and increase the tariff to the same extent upon foreign manufactures, we leave them upon the same relative footing they were at the start, and neither has cause of complaint. The rates proposed are high nominally, and may be so regarded by foreign nations, but considering the weights carried by our own people, other nations will still be able to continue the race with us upon nearly the same terms as heretofore.

* * * * *

In making an estimate of the effect of such a war tariff as is now proposed, it is important that we should bear in mind that as we increase the cost of any article we diminish the number of those who are able to consume it.

Again, he said:

Protection was never defended on any other ground than that in the end the consumer obtained his supplies more cheaply. I know sound policy dictates that for proper encouragement of manufacturers all raw materials should be free, and where nations manufacture for exportation no other policy can be maintained. This accounts for the course of France and England upon this subject. They export largely; we do not.

Mr. Shellabarger, then a Member from Ohio, asked Mr. Morrill if there was any increase of duty over and above the tariff of 1861, save and except the compensating duty made necessary by internal-revenue taxes. Mr. Morrill said in reply that there was no increase except for that purpose, or for the purpose of revenue upon articles not produced in this country.

At the close of his speech Mr. Morrill made this pledge:

"This is intended as a war measure, a temporary measure, and we must give it our support as such."

Again, he speaks of it as "a war measure, imposed by the necessities of the Government, the scarcity of laborers, and the enormous direct taxation."

On the following day Mr. Allison, again resuming, said:

This large internal-revenue tax was made the excuse and the cause of the advance of the tariff of July 14, 1862, and June 30, 1864. I quoted the language yesterday of the then chairman of the Committee on Ways and Means in 1862, Mr. Thaddeus Stevens, himself a protectionist, and certainly in favor of the protection of the great interest of Pennsylvania, iron. He made a pledge upon this floor in 1862 that those additions of duties upon manufactured articles imported in this country were made necessary because of the internal-revenue taxes. Both he and Mr. Morrill, subsequently chairman of the Ways and Means Committee, declared that the act of June 30, 1864, was a temporary measure, a war measure, and was not intended as a measure which should remain upon the statute book as a protective tariff in the time of peace.

Mr. Allison yielding the floor for a moment to Mr. Cox, that gentleman said:

I desire to say in addition to what has been said by the gentleman from Iowa [Mr. Allison], that I was on the committee of conference upon the tariff of 1864. The reason why that conference report was made as it was made, the reason given by Mr. Morrill and Mr. Fessenden, was that the internal tax had been raised, but that the moment that tax was reduced they would be in favor of reducing the custom duties. That was understood when the report was made upon the tariff of 1864; it was one of the conditions leading the conference committee to report that measure.

Mr. Allison said further:

It is admitted by all that the increase of the tariff was commenced and carried on upon the basis of the protective duties of the Morrill tariff of 1861; the increase of direct taxation, added to the price of domestic manufactures, rendered an increased tariff necessary in order to prevent our country being flooded with cheaper foreign productions. Certainly, then, upon the decrease of internal taxation the tariff may be, and ought to be, decreased in proportion, the danger being no longer in existence which was sought to be averted by these increased duties.

But I may be asked how this reduction shall be made. I think it should be made upon all leading articles, or nearly all; and for that purpose, when I get the opportunity in the House, if no gentleman does it before me, I shall move that the pending bill be recommitted to the Ways and Means Committee with instructions to report a reduction upon existing rates of duty equivalent to 20 per cent upon the existing rates, or one-fifth reduction. Even this will not be a full equivalent for the removal of all internal taxes upon manufactures. It will not be difficult to make a reduction upon this basis.

The position taken by these gentlemen at that time sufficiently illustrates the grounds on which the temporary increase of tariff taxation was agreed to by Congress and accepted by the country.

In 1866 the internal-revenue taxes, as shown by the report of the Commissioner of Internal Revenue for 1880 (see p. 159), amounted to \$310,906,984, of which \$236,336,037.37 were imposed upon manufactures, railroad receipts, incomes, special taxes, legacies, etc., manufactured products alone paying \$127,230,608.66 that year, as shown by the following statement:

1. Manufacturing products -----	\$127, 230, 608. 66
2. Gross receipts, railroads, etc -----	11, 262, 429. 82
3. Sales, stocks, gold, etc -----	4, 002, 282. 91
4. Special taxes, etc -----	14, 844, 418. 05
5. Incomes -----	72, 982, 159. 03
6. Legacies -----	924, 823. 97
7. Successions -----	246, 154. 88
8. } Miscellaneous -----	{ 1, 603, 122. 73
9. }	{ 3, 750, 037. 32
<hr/>	
Total -----	236, 236, 037. 37

All these taxes were repealed nearly twenty years ago, yet the corresponding tariff taxation which was imposed to compensate for the burdens temporarily imposed by them is to-day almost as high as it was at any period during the war.

The injustice of that condition induced a Republican Congress to strike off on all leading articles 10 per cent from the tariff taxation in 1872, but in 1875, under the false pretense that the sinking fund was in danger, that 10 per cent was again restored, and additional taxes were imposed on whisky, tobacco, and sugar. As early as 1881 the surplus arising from the increased taxation became so oppressive that the then President of the United States and the country demanded tariff reduction, although the average duty was at that time 4 or 5 per cent ad valorem lower on imported goods than it is to-day—as low indeed as the House bill proposes to make it now. After a long struggle on the part of the protectionists to retain their extortions awhile longer they obtained a tariff commission, organized in their own interests, which they knew would make as slight reductions as possible; that commission, after reviewing the whole situation, was compelled, among other things, to make the following statement in their report:

Early in its deliberations the commission became convinced that a substantial reduction of tariff duties is demanded not by a mere indiscriminate popular clamor, but by the best conservative opinion of the country, including that which has in former times been most strenuous for the preservation of our national industrial defenses. Such a reduction of the existing tariff the commission regards not only as a due recognition of public sentiment and a measure of justice to consumers, but one conducive to the general industrial prosperity, and which, though it may be temporarily inconvenient, will be ultimately beneficial to the special interests affected by such reduction. No rates of defensive duties, except for the establishment of new industries, which more than equalize the conditions of labor and capital with those of foreign competitors, can be justified. Excessive duties, or those above such standard of equalization, are positively injurious to the interest which they are supposed to benefit. They encourage the investment of capital in manufacturing enterprise by rash and unskilled speculators, to be followed by disaster to the adventurers and their employees, and a plethora of commodities, which deranges the operations of skilled and prudent enterprise.

Numerous examples of such disasters and derangements occurred during and shortly after the excessively protective period of the late war, when tariff duties were enhanced by the rates of foreign exchange and premiums upon gold. Excessive duties generally, or exceptionally high duties in particular cases, discredit our whole national economic system and furnish plausible arguments for its complete subversion. They serve to increase uncertainty on the part of industrial enterprise, whether it shall enlarge or contract its operations, and take from commerce, as well as production, the sense of stability required for extended undertakings. It would seem that the rates of duties under the existing tariff—fixed, for the most part, during the war under the evident necessity at that time of stimulating to its utmost extent all domestic production—might be adapted, through reduction, to the present condition of peace requiring no such extraordinary stimulus. And in the mechanical and manufacturing industries, especially those which have been long established, it would seem that the improvements in machinery and processes made within the last twenty years, and the high scale of productiveness which has become a characteristic of their establishments, would permit our manufacturers to compete with their foreign rivals under a substantial reduction of existing duties.

Entertaining these views, the commission has sought to present a scheme of tariff duties in which substantial reduction should be the distinguishing feature. The average reduction in rates, including that from the enlargement of the free list and the abolition of the duties on charges and commissions, at which the commission has aimed, is not less on the average than 20 per cent, and it is the opinion of the commission that the reduction will reach 25 per cent.

The legislation which followed the report of the tariff commission in the last session of the Forty-seventh Congress was perhaps the most discreditable that ever occurred in the history of American politics. The House of Representatives, at the first session of that Congress, had sent to the Senate a bill relating exclusively to internal revenue. It took up the tariff commission bill in January, 1883, and after struggling along until about the middle of February without reaching the schedules in regard to sugar, cotton, or woollen goods, or indeed anything beyond the iron schedule, which it only partially considered, it abandoned all attempts to pass any measure, and by devices which were confessed at the time to be revolutionary it resolved to get into conference with the Senate upon a bill which that body had passed in order to endeavor to secure advantages to the protected interests through the action of the conference committee, which the House, so far as it had gone, refused to give them, and which the Senate had in every form repudiated. The debates and the bill of the House, which can be found in the document rooms of both Houses, will verify this statement. The leading members of the House on the Democratic side denounced the proceeding in every form, but without avail. A few extracts will illustrate this. Mr. Blackburn, of Kentucky, a member of the Committee on Rules (see Record, p. 3370), charged on the floor what the "Keifer-Boynton" investigation has since verified, if any proof was needed, when no man denied what he alleged.

Unwilling—

He said—

to trust to a count which, if common rumor is to be credited, has been carefully made; a count made upon a written agreement signed by members on the other side, binding and obligating themselves to stand for this report and to stand for the motion of nonconcurrence; though with care and particularity, as rumor has it (and I doubt not correctly), you have taken time since the Kasson resolution was sent to the Committee on Rules, two weeks ago, to marshal your forces, to obligate them in every manner that is binding, unless it be in open bond, with good and approved securities for the performance of the contract; in the face of all this the majority side of the House dare not allow a motion, which is admitted under every parliamentary law, or parliamentary rule, or

parliamentary practice ever known among civilized men. You dare not allow a vote to be taken to concur in the Senate amendments to the text of the bill.

Mr. Cox, of New York, said:

It is a fraud upon parliamentary law; a fraud upon all that is just and fair in our politics; it is revolutionary.

Mr. House, of Tennessee, said:

It is an open, unblushing attempt to concoct, in a secret chamber of a packed conference committee, a tariff bill which the promoters of this movement know can not be passed upon the floor of this House under the rules which govern it. It is an attempt by an indefensible, arbitrary, revolutionary act to wrest from the representatives of the people the right of legislation; to tie their hands, and to deny them the poor privilege of lifting their voices against it.

The House was not even allowed the privilege of agreeing with the Senate on the tariff bill passed by that body. The leading Republican members of the Senate, professing to be conferees on the part of the Senate, were only too anxious to get into the secret recesses of the conference committee chamber, not for the purpose of sustaining the action of the body they professed to represent, but for the purpose of annulling what had been deliberately decided upon, often by a yea and nay vote, in the Senate of the United States on many questions against their wishes. Time and space will not permit anything like a full history to be given of the outrages committed in that conference committee.

Late one night, just before the adjournment of Congress, when the conference report was brought into the Senate, and no explanation made as to its provisions, I endeavored to point out, and did point out, many of the outrages committed in that conference report, by which the wishes of both Houses, deliberately expressed, had been violated. That speech will, perhaps, call the attention of Senators, when the debate on this bill comes up, to matters that even now require explanation; but there were many things, not then known to any Senator, concealed by the conferees, which subsequently came to light and developed the flagrant character of that so-called conference. Important clauses were added to the cotton and woolen schedules, increasing the tax upon whole classes of goods, which propositions had never been submitted to either House, or when submitted to the Senate, had been defeated by that body, because they never were before the House in any form.

If Senators will take the trouble to look up the bill as it went to the conference committee, and examine it as it left that body, they will find in regard to cotton goods increases far beyond anything that had been even suggested, embracing the most important classes of products in which New England was specially interested.

In Schedule I, cotton goods, a new proviso was added, increasing the tax as follows:

On all cotton cloth not exceeding two hundred threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over eight cents per square yard; bleached, valued at over ten cents per square yard; dyed, colored, stained, painted, or printed, valued at over thirteen cents per square yard, there shall be levied, collected, and paid a duty of forty per cent ad valorem.

And in Schedule K, wool and woolens, the conference committee, in the ready-made clothing schedule, after "clothing, ready-made, and wearing apparel of every description," inserted the words "not

especially enumerated or provided for in this act," and then inserted a provision increasing taxation on the following goods:

Cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and goods of similar description, or used for like purposes, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other animals, or of which wool, worsted, the hair of the alpaca, goat, or other animals, is a component material, thirty cents per pound, and, in addition thereto, fifty per cent ad valorem.

The debates in both houses will show that no suggestion was ever made looking to such increases as these. The result was that instead of a reduction on cotton and woolen goods, Hon. Joseph Nimmo, jr., Chief of the Bureau of Statistics, on March 10, 1884, furnished Congress with an official statement of the duties upon the leading articles under the old law prior to March 3, 1883, and under the act of March 3, 1883, which, instead of a reduction of from 20 to 25 per cent, shows large increases in the manufacture of wool, cotton, earthenware, and china beyond what existed before the law was passed.

The table is as follows:

Values of imports of dutiable merchandise entered for consumption in the United States, with the amount of duty and the ad valorem rate of duty collected during the following periods, during the six months ended December 31,

Article.	Under the old law—1882.				
	Value.	Duty collected.	Ad valorem rate of duty collected.		
				<i>Per cent.</i>	
All dutiable merchandise.....	\$260,856,237	\$111,266,507			42.65
Sugar and melada.....	44,432,311	23,180,590			52.17
Iron and steel and manufactures thereof.....	32,490,426	12,713,996			39.12
Wool:					
Clothing.....	1,210,689	671,415			55.46
Combing.....	135,123	67,839			50.19
Carpet.....	3,505,980	974,202			27.79
Manufactures of wool.....	22,400,387	14,943,626			66.71
Manufactures of cotton.....	14,067,850	5,629,658			37.61
Manufactures of silk.....	19,999,119	11,738,469			58.69
Earthen and china ware.....	4,423,146	1,896,705			42.88
Glass and glassware.....	4,271,305	2,327,660			54.49
Spirits and wines.....	5,203,625	3,706,142			71.22
Malt liquors.....	511,772	227,370			44.43

Article.	Under act of March 3, 1883.			Increase (+) Decrease (-)	
	Value.	Duty collected.	Ad valorem rate of duty collected.	Value.	Ad valorem.
					<i>Per cent.</i>
All dutiable merchandise.....	\$235,898,109	\$96,514,136	40.91	—\$24,958,128	— 6.71
Sugar and melada.....	46,800,671	23,121,601	49.40	+ 2,368,300	+ 2.77
Iron and steel and manufactures thereof.....	23,698,937	7,924,225	33.44	— 8,800,489	— 5.68
Wool:					
Clothing.....	2,399,515	1,073,311	44.73	+ 1,188,826	+10.73
Combing.....	615,677	267,704	43.48	+ 480,554	+ 6.71
Carpet.....	4,345,385	1,087,094	25.02	+ 839,405	+ 2.77
Manufactures of wool.....	22,064,512	15,202,183	68.90	— 335,875	+ 2.19
Manufactures of cotton.....	12,067,631	4,835,714	40.07	+ 2,900,219	+ 2.46
Manufactures of silk.....	21,246,252	10,617,057	49.83	+ 1,287,133	+ 8.86
Earthen and china ware.....	3,824,951	1,830,363	47.85	+ 598,195	+ 4.97
Glass and glassware.....	3,943,197	2,187,302	55.47	— 328,108	+ .98
Spirits and wines.....	2,945,001	2,659,312	90.30	— 2,258,624	+19.08
Malt liquors.....	490,315	235,823	48.10	— 21,457	+ 3.67

JOSEPH NIMMO, JR., Chief of Bureau.

Even before the bill went into conference, the cotton schedule, under the manipulations of the New England manufacturers, had been so changed that Senator Sherman had to confess:

The classification is so changed that none but an expert can understand it.

And in regard to the same matter, Senator Allison said in the Senate chamber, on the 3d day of February, 1883 (see Record of that date, p. 2030):

Now I want to say one word in regard to the tariff commission report upon the cotton schedule. The truth is that the tariff commission did not examine this cotton matter at all; it may as well be said on the floor of the Senate; nor did they make this schedule that is called the tariff commission report schedule. It was made by a cotton manufacturer from Boston, with an expert appraiser in New York, and the tariff commission accepted it. When the knowledge of that fact came to me, I had no particular faith in the tariff commission report on this cotton schedule, and therefore I examined it as best I could for myself, hearing the witnesses reading the testimony, and hearing people who I supposed knew something about it, and in whom I had faith.

When the Senator from Texas (Mr. Maxey) asked him what faith there was to be placed in their report on anything else, after such conduct as that was developed, Mr. Allison answered—

I do not choose to express my opinion of their report or anything else.

Much light was thrown upon this subject by a controversy that sprung up between Senator Sherman and Senator Morrill. Mr. Sherman had published an elaborate interview in the Commercial Gazette of Cincinnati, dated March 14, 1883, in which, among other things, he said:

The truth is, there was a grave fault in constituting the committee on the part of the Senate. The two members of the Finance Committee from New England were put on the conference committee, when, by custom and precedents, Mr. Jones, of Nevada, should have been a member, or, if he declined, Mr. Allison. The result was that these two New England Senators controlled the conference, and they were known to be opposed to the duty on wool and in favor of an increase on woolen and cotton goods.

During the debate in the Senate Mr. Sherman insisted that the rates upon woolen goods especially were too high, even as they passed the Senate, and of course he regarded the increase made in the conference, which, as I said before, the Senate knew nothing about until after Congress had adjourned, as an outrage; his language in the debate being:

That about one half of the cost of these woolen goods is in the cost of the raw material, the wool, and the other half is the cost of manufacture. Take, therefore, a lot of these goods; suppose that the value of the goods imported is \$1,000, and one half of that is the cost of the wool, and the other half is the cost of manufacture. The duty on \$500, the cost of the wool, has already been fully compensated for and more than compensated for by the specific duty. Then, as to the duty as levied, not as 40 per cent of the \$500 the cost of manufacture, which is all the manufacturer puts upon it, but the duty is levied at 40 per cent on the thousand, thus giving him a protection of \$400, or 80 per cent on the cost of manufacture. It seems to me that is too large, that the relative duties upon wool and woolen goods are unequal and unfair. The duty ought to be in proportion to the manufactures.

And in the interview above referred to, he repeated his charges of improper conduct against his co-conferrees from New England, saying:

By the new tariff the whole reduction falls on the woolgrower. It is true there is a reduction of the specific duty on woollens equal to the reduction on wool,

but that only leaves the manufacturer *in statu quo*, while the former loses one-fifth of his protection. The protective duty of 35 per cent ad valorem in favor of the manufacturer remains unchanged, and in important branches is changed to 40 per cent; and the classification is so changed that none but an expert can understand it. Even in the conference committee additional duties were put on both cotton and woolen goods of certain grades, far in advance of existing law. The wool growers, who did not understand in the beginning what was going on, felt, and still feel, no doubt, that their interests were sacrificed by a reduction of duties on wool without a corresponding reduction on woolens, and with an absolute increase on some grades.

And in that same interview he expressed not only his disgust at the advantage which the New England conferrees had obtained over him, but his regret that, having no Democratic conferrees to trouble them, they had not fixed up a bill to suit themselves regardless of their responsibility to the Senate or the wishes of either house. His answer to the newspaper correspondent clearly proves this:

CORRESPONDENT. What effect upon the conference had the withdrawal of Senators Bayard and Beck?

Senator SHERMAN. I can not say that it had any except to enable the conferrees to patch up a little the iron schedule, as I have already stated. But their withdrawal gave the Republican conferrees the opportunity of reporting and proposing a thoroughly protective tariff bill, just and harmonious in all its rates.

Again he said:

The conferrees would not take this responsibility, and accordingly left the rates named and some others palpably unjust, and have opened the door to contests in the future. If these errors had been corrected the bill would have received every Republican vote in the Senate. The struggle over the bill proved that the Democratic party was hostile to the policy of protection, though occasionally a Democratic Senator voted with us to protect his local industry. The system must stand or fall with the Republican party. We might, in the way stated, have made a square political issue, which I always prefer to do rather than to lean on my political adversaries for occasional votes.

Mr. Morrill answered Mr. Sherman, in a labored article, dated April 28, and published in the New York Tribune. He confesses and avoids the truth of the charges. His main defense is that Mr. Sherman was as deep in the mud as he was in the mire. Both did their best to show their want of due respect for the expressed will of the Senate, although neither of them had any right to undertake the task of sustaining the action of the body that appointed them, unless they were determined to maintain and uphold its action by every honorable means, whether they approved it or not. It is painfully apparent from their own statements that neither of them either did so or attempted to do so. Mr. Morrill says:

The distinguished Senator is a remarkably cool and sagacious man, but he was evidently in a pet, and by this time he will regret some of his rather exaggerated and hasty statements. He criticises the fact that two members of the conference committee were from New England, and would seem to indicate that this brought to bear a malign sectional influence, forgetting that two of the members of the conference committee were from the State of Ohio alone, and perhaps, too, sensitively remembering that the large increase of duties on plain white crockery ware had never been insisted upon in the Senate by New England.

Again, he says:

But the Senator complains that the duties on woolens were raised in the conference committee; so they were on pig and bar iron.

Again, he says:

Only a proviso was inserted in the conference committee by which a special class of cotton cloth should be subject to a duty of 40 per cent, which is the same or a little less than the existing law.

And adds:

This is not much above the rate fixed on pig iron, and can hardly be called a local favor.

These interviews show that the conferees, so called, paid no sort of respect to the wishes of the two Houses. They made the tariff which we are now cursed with to suit themselves. One accuses the other of increasing the burdens on cotton and woolen goods, and the other retaliates by charging his accuser with having increased the taxes on earthenware, pig and bar iron, and other things in the iron schedule which the Senate had over and over again defeated him in when he attempted to impose them upon the country on this floor.

Mr. Morrill adds:

The Senator sought to raise in the Senate the rates fixed in committee on pig iron, and, not succeeding, he joined Senator Brown, of Georgia, in cutting down generally the rates upon bar iron and upon steel railway bars; for, as he correctly observes, "a single Republican Senator voting with the Democrats could reduce the duty." A restoration of these rates, even in a committee of conference, was an unpromising risk. If any one was more responsible than Senator Sherman for making the "harmony and symmetry of the plan" of the commission's iron schedule "as rough as a saw" I do not remember it.

He was right in saying that—

A restoration of these duties, even in such a conference committee, was an unpromising risk.

The Senate bill had passed on the 22d day of February by a vote of 42 to 19, yet the conference report was passed by a vote of only 32 to 31.

I hope these articles in the Commercial-Gazette and Tribune, both of which are on file in the Library of Congress, will be carefully studied, as they throw much light upon the spirit that animated the Senate conferees. When they were examined the country will not appreciate the remark made by the Senator from Ohio on the floor of the Senate, within the last few weeks: That the action of the Democratic Senators in refusing to take part in that conference was the most cowardly act he had ever known. The refusal was simply a protest by Democrats against being used to give countenance to or a semblance of acquiescence in what was known to be an effort to overrule the action of the Senate, and not to sustain it.

Mr. Morrill might very well observe in this interview that the restoration of these duties even in such a conference committee was an unpromising risk, because if Senators had known half of what had been done against their known wishes by their own conferees, instead of the bill being passed as it was, by a vote of 32 to 31, it would have been defeated by an overwhelming majority, and the condemnation of the conference would have been too pronounced even for them to have ventured into the newspapers to quarrel over their action. Perhaps the worst part of their conduct was not referred to by either of them, and that was in regard to the duties on sugar.

The House had never acted upon that schedule, as their bill shows, but the Senate had in the most emphatic manner determined that the tax on sugar between No. 13 and No. 16, Dutch standard, should not

exceed \$2.40 per 100 pounds. It had fixed the tax on sugar under No. 13, Dutch standard, at a satisfactory rate; but that class of sugar was simply raw material for the refiner, not being used in any form except by them, and \$2.40 was, by a yea-and-nay vote of the Senate, as is shown by the Record, after full discussion, fixed as the proper tax upon sugar between 13 and 16, Dutch standard. Mr. Morrill and others protested that it was too low, and that foreign competitors would interfere with domestic refiners.

Some of us who had strongly urged \$2.40 as a proper rate, believing that it might possibly cripple our domestic refiners in their operations, agreed to \$2.50, after being assured by Senators on the other side, especially by Senator Morrill, that \$2.50 per 100 would be entirely satisfactory. I hope the Record of that debate will be turned to. It will be found on pages 2548 to 2555 of the Record of that session. Yet the conference committee deliberately increased the rate of taxation upon imported sugar between 13 and 16 to \$2.75 per 100, thereby giving to the sugar refiner an absolute monopoly of the sugar refining business. They thus laid the foundation for the trusts which have been so much and so justly complained of by the country against the domestic refiners of sugar. That act on the part of the Senate conference, which was not only wholly unjustifiable and unwarranted, but in violation of pledges they had given, has cost the consumers of sugar in this country not less than \$8,000,000, while the fact that they had made such a change in the conference committee was carefully concealed from the Senate, as the record will show.

In the face of facts like these, and these are only the outlines, it is absurd for the Republican leaders to contend that they are now paying or ever have paid any regard to the interests of the taxpayers or the consumers of the country.

Of course, after the passage of that act, the surplus revenue continued to accumulate in the Treasury until all the bonds that could be paid at par were paid off. Not less than \$700,000,000 in excess of all the requirements of the sinking fund was paid in the redemption of the principal of the public debt, yet there is at this time almost enough idle money in the Treasury to pay off every dollar that can be paid off until 1907, when the last of our indebtedness, amounting to a fraction over \$700,000,000, matures, and we are compelled by law to-day either to lock up the surplus money in the Treasury or to pay to the holders of our bonds any premium they see fit to ask in order to keep the money of the people in circulation for their use.

We are now absolutely at the mercy of any combination the bondholders may make. There is no longer even a decent pretext for the maintenance of any law providing for a sinking fund, which now exceeds \$50,000,000 a year, as no man will pretend that we made any agreement to pay the bondholder \$1 of premium upon the bonds he holds; yet the premium upon the 4 per cents has increased in the last six months from 124 to 130, and as time goes on will continue to increase, and the Republican candidate for the Presidency, in his letter of acceptance, is urging and demanding that that premium shall be paid to them, although they have no claim, legal or equitable, whatever to it, and are only receiving it now because of the opposition the Republicans are making to the demand of the President for the

reduction of taxation so as to make the payment of such premium unnecessary.

Never before has the Republican party boldly avowed its purpose to license the manufacturers of the country to force the people—all the people—of the United States, whether the Government needs revenue or not, to pay them \$147 for every \$100 worth of their products which the people at large are compelled to have. Never before was the avowal boldly made in a party platform that the American market should be controlled by American manufacturers, by trusts, and combinations, to suit themselves, and that Congress should by law prevent our citizens from buying with their own money what they needed except from them and at their prices.

Individual members of Congress, I admit, have advocated protection for protection's sake, and have said that, independently of revenue and regardless of public needs, they would maintain tariff taxation for the protection of American manufacturers. Local partisan leagues and neighborhood conventions, and such newspapers as are owned or subsidized by protected organizations, have demanded taxation for protection's sake; but until now the platforms of all former Republican conventions have demanded that taxation should be confined to the amount needed for revenue, only asking that within that limit it should be adjusted so as incidentally to protect American manufacturing industries and the labor employed therein. I need not quote from them. The facts I state can not be successfully denied, as the former platforms have been made part of the record time and again in the debate in the House of Representatives and elsewhere.

The bills now presented by the respective political organizations are infinitely more important in the principles they represent than in the amount of taxation they propose to remove measured merely in money. The Democrats seek cautiously and prudently to reduce all taxation to the revenue standard, so as to take from the people nothing except for public uses and purposes, and only such an amount as is needed to support an economically administered Government, at the same time taking care that no injury is done to any domestic industry, even though unduly stimulated by protection, on whose success the employment of any considerable portion of our own people depends. They seek to aid our manufacturers by cheapening, wherever it is possible, the raw materials from which finished products are made, so that the markets for them may be enlarged and extended to other countries, and steadier employment, which extended sales necessarily give, be furnished to those who produce them. We seek thus to enable all of our people to obtain what they need of those products with a less expenditure of the money they have earned in their various occupations than they can now.

The Democratic party will cease to exist whenever it fosters monopoly, or legislates to enrich the few out of the hard earnings of the many, or in any way promotes class legislation. Its object and purpose is, always has been, and always must be, to oppose all schemes, however specious, and all legislation, however plausible, that takes the money earned by one class of citizens and gives it to another. Of course it can never command the support of the combinations of wealth that seek to enrich themselves by law out of the earnings of other people; therefore it has no promises of special advantages to

make to its supporters. It can only appeal to the manhood of men to stand by and support a political organization pledged to secure to them equal rights and privileges with all other men, and to resist all the combinations organized to obtain by legislation undue advantage over their fellow citizens.

If the Republic is to last and realize the hopes of its founders, it must be on the basis of securing equal rights to all, granting exclusive privileges to none. Every department of the Government must be limited to the just exercise of the powers specially granted to it, and each Representative, whether of States or people, must be made to recognize the fact that this Government is only a trustee, with limited powers, and that he is only the servant of the people who place him where he is and pay him for his work out of their earnings.

It can not be too often repeated that this Government is simply a trustee, and has not, and can not, get a dollar except what it takes by taxation in some form or other, directly or indirectly, from the people who earn it; that one legitimate industry is as honorable and as much entitled to protection as another; and that all taxes shall be uniform, and must be imposed to pay the debts and provide for the common defense and general welfare of the United States. All our courts, state and federal, have decided that all taxation must be confined to public uses and purposes in terms so emphatic and with such clearness of statement and aptness of illustration that no strength can be added by amplification to what they have so repeatedly decided.

I have given extracts and references to these decisions elsewhere in this report which prove the truth of my assertions that taxation, to be legal or even honest, must be for public purposes only, and that all class legislation, whether in the form of protection or subsidy, which takes by taxation from the people the money they have earned, or deprives them of the right to use it to the best advantage to themselves in procuring what they need, in order to enrich a favored class, is legalized robbery. The voters of the country will have to settle the question between the contending parties this fall, whether they want to do so or not. The issue is made and has come to stay. It can be neither avoided nor evaded; it looks to a permanent policy on one basis or the other. The Republican party has moved forward with rapid strides in its assertion of the power of Congress and its right to impose taxes for other than public uses. They no longer hesitate to avow their purpose to force all the consumers of home-made manufactured goods to pay any price home producers or, more properly, home-machine owners demand, by taxing all similar goods made elsewhere so high as to prohibit our people from buying them, under the pretense that they are protecting the "home market." Of course, they simply protect the home seller and thus rob the home buyer; and as the buyers are at least one hundred times more numerous than the sellers, they purpose, under the forms of law, to rob one hundred of our citizens to enrich one. They illustrate the principle so aptly stated by Hallam in his *History of the Middle Ages*:

We find in the history of all usurping governments, time changes anomaly into system and injury into right. Examples beget custom, and custom ripens into law; and the doubtful precedents of one generation become the fundamental maxims of another.

At last, and for the first time, the American people are distinctly called upon, each man for himself, to decide whether the sovereignty, about which so much is said and so little is understood, exists in the individual citizen or in the Congress of the United States. They will, this fall, settle the question, for this generation at least, as conclusively as the late civil war settled the question of secession, whether this is a government of the people, by the people, and for the general welfare of all, or whether it is a paternal government, to be conducted and controlled by Congress to promote such objects and purposes as the majority in Congress from time to time may determine to fasten on the country.

The contest will be none the less earnest because it is waged with ballots instead of bullets, and the result will be none the less conclusive because of its peaceful character. Both parties have put forth candidates worthy of the support of those who advocate the principles they represent, and both sides are organizing, I am happy to say, through national, state, and local clubs, so as to bring out the full strength of their respective organizations.

The questions at issue are as old in principle as the establishment of civil government among men. On the one side will be arrayed, as they always have been, all the organizations and combinations of capital and power that seek wealth by legislation, and especially those who demand from Congress protection by tariff taxation against competition with goods produced abroad, in order that the American consumers of the goods they produce here may be compelled to pay them the prices they demand for the goods they make. On the other side will be arrayed those who deny the power of Congress to grant special privileges to favored classes at the public expense, and who claim that all taxation of the people by their representatives, in whatever form imposed, must be for public purposes, and that it can be imposed only to the extent necessary to support an economically administered government.

Of course there is a large class of voters—far more than enough to determine which party shall win—who, up to this time, have not studied carefully the propositions involved. My hope is that the discussion all over the country this fall will convince the people that their true interests will be best promoted by the success of the Democracy.

Perhaps it is fortunate that the public mind rarely grasps with vigor more than one great public question at a time. When its energies are concentrated on a single vital issue, it ordinarily succeeds in sifting it thoroughly and in separating the grain from the chaff. "Everybody is wiser than anybody," because everybody's interest is that equal justice shall be meted out to all, and that unequal or exclusive privileges shall not be granted to favored classes. Happily for the country there is nothing to distract the public mind from the calm and deliberate consideration of the great issues, which the President of the United States deemed so far-reaching and overshadowing as to make it the sole subject to which he directed the attention of Congress in his last annual message, a few extracts from which I propose to quote. The opening sentences are as follows:

To the Congress of the United States:

You are confronted at the threshold of your legislative duties with a condition of the national finances which imperatively demands immediate and careful consideration.

The amount of money annually exacted, through the operation of present laws, from the industries and necessities of the people, largely exceeds the sum necessary to meet the expenses of the Government.

When we consider that the theory of our institutions guarantees to every citizen the full enjoyment of all the fruits of his industry and enterprise, with only such deduction as may be his share towards the careful and economical maintenance of the Government which protects him, it is plain that the exaction of more than this is indefensible extortion, and a culpable betrayal of American fairness and justice. This wrong inflicted upon those who bear the burden of national taxation, like other wrongs, multiplies a brood of evil consequences. The public treasury, which should only exist as a conduit conveying the people's tribute to its legitimate objects of expenditure, becomes a hoarding place for money needlessly withdrawn from trade and the people's use, thus crippling our national energies, suspending our country's development, preventing investment in productive enterprise, threatening financial disturbance, and inviting schemes of public plunder.

This condition of our treasury is not altogether new; and it has more than once of late been submitted to the people's representatives in the Congress, who alone can apply a remedy. And yet the situation still continues, with aggravated incidents, more than ever presaging financial convulsion and widespread disaster.

After stating what expedients he had been compelled to resort to in order to avoid national bankruptcy, which must follow the locking of the circulating medium in the Public Treasury, he says:

While the expedients thus employed to release to the people the money lying idle in the Treasury served to avert immediate danger, our surplus revenues have continued to accumulate, the excess for the present year amounting on the 1st day of December to \$55,258,701.19, and estimated to reach the sum of \$113,000,000 on the 30th of June next, at which date it is expected that this sum, added to prior accumulations, will swell the surplus in the Treasury to \$140,000,000.

There seems to be no assurance that, with such a withdrawal from use of the people's circulating medium, our business community may not in the near future be subjected to the same distress which was quite lately produced from the same cause. And while the functions of our National Treasury should be few and simple, and while its best condition would be reached, I believe, by its entire disconnection with private business interests, yet when, by a perversion of its purposes, it idly holds money uselessly subtracted from the channels of trade, there seems to be reason for the claim that some legitimate means should be devised by the Government to restore in an emergency, without waste or extravagance, such money to its place among the people.

The President, of course, advises Congress that there is but one honest and just way to obviate the evils and right the wrongs which confessedly exist, and that is to reduce the taxation needlessly and, therefore, wrongfully imposed upon the people by existing laws, to the annual requirements of an economically administered Government. I again quote, as no man in all the debate in either House of Congress or elsewhere has presented the whole question as well as the President has. He says:

Our scheme of taxation, by means of which this needless surplus is taken from the people and put into the public Treasury, consists of a tariff or duty levied upon importations from abroad, and internal-revenue taxes levied upon the consumption of tobacco and spirituous and malt liquors. It must be conceded that none of the things subjected to internal-revenue taxation are, strictly speaking, necessities; there appears to be no just complaint of this taxation by the consumers of these articles, and there seems to be nothing so well able to bear the burden without hardship to any portion of the people.

But our present tariff laws, the vicious, inequitable, and illogical source of unnecessary taxation, ought to be at once revised and amended. These laws, as their primary and plain effect, raise the price to the consumers of all articles imported and subject to duty, by precisely the sum paid for such duties. Thus the amount of the duty measures the tax paid by those who purchase for use these imported articles. Many of these things, however, are raised or manufac-

tured in our own country, and the duties now levied upon foreign goods and products are called protection to these home manufactures, because they render it possible for those of our people who are manufacturers to make these taxed articles and sell them for a price equal to that demanded for the imported goods that have paid customs duty. So it happens that while comparatively a few use the imported articles, millions of our people, who never used and never saw any of the foreign products, purchase and use things of the same kind made in this country, and pay therefor nearly or quite the same enhanced price which the duty adds to the imported articles. Those who buy imports pay the duty charged thereon into the public Treasury, but the great majority of our citizens who buy domestic articles of the same class, pay a sum at least approximately equal to this duty to the home manufacturer. This reference to the operation of our tariff laws is not made by way of instruction, but in order that we may be constantly reminded of the manner in which they impose a burden upon those who consume domestic products as well as those who consume imported articles, and thus create a tax upon all our people.

It is not proposed to entirely relieve the country of this taxation. It must be extensively continued as the source of the Government's income; and in a readjustment of our tariff the interests of American labor engaged in manufacture should be carefully considered, as well as the preservation of our manufacturers. It may be called protection, or by any other name, but relief from the hardships and dangers of our present tariff laws should be devised with especial precaution against imperiling the existence of our manufacturing interests. But this existence should not mean a condition which, without regard to the public welfare or a national exigency, must always insure the realization of immense profits instead of moderately profitable returns. As the volume and diversity of our national activities increase, new recruits are added to those who desire a continuation of the advantages which they conceive the present system of tariff taxation directly affords them. So stubbornly have all efforts to reform the present condition been resisted by those of our fellow-citizens thus engaged, that they can hardly complain of the suspicion, entertained to a certain extent, that there exists an organized combination all along the line to maintain their advantage.

Again he says:

By the last census it is made to appear that of the 17,392,099 of our population engaged in all kinds of industries, 7,670,493 are employed in agriculture, 4,074,238 in professional and personal service (2,934,876 of whom are domestic servants and laborers), while 1,810,258 are employed in trade and transportation, and 3,837,112 are classed as employed in manufacturing and mining.

For present purposes, however, the last number given should be considerably reduced. Without attempting to enumerate all, it will be conceded that there should be deducted from those which it includes 375,143 carpenters and joiners, 285,401 milliners, dressmakers, and seamstresses, 172,726 blacksmiths, 133,756 tailors and talloresses, 102,473 masons, 76,241 butchers, 41,309 bakers, 22,083 plasterers, and 4,891 engaged in manufacturing agricultural implements, amounting in the aggregate to 1,214,023, leaving 2,623,089 persons employed in such manufacturing industries as are claimed to be benefited by high tariff.

* * * * * * *

To these the appeal is made to save their employment and maintain their wages by resisting a change. There should be no disposition to answer such suggestions by the allegation that they are in a minority among those who labor, and therefore should forego an advantage, in the interest of low prices for the majority; their compensation, as it may be affected by the operation of tariff laws, should at all times be scrupulously kept in view; and yet with slight reflection they will not overlook the fact that they are consumers with the rest; that they, too, have their own wants and those of their families to supply from their earnings, and that the price of the necessities of life, as well as the amount of their wages, will regulate the measure of their welfare and comfort.

But the reduction of taxation demanded should be so measured as not to necessitate or justify either the loss of employment by the working man nor the lessening of his wages; and the profits still remaining to the manufacturer, after a necessary readjustment, should furnish no excuse for the sacrifice of the interests of his employees either in their opportunity to work or in the diminution of their compensation. Nor can the worker in manufactures fail to understand that while a high tariff is claimed to be necessary to allow the

payment of remunerative wages, it certainly results in a very large increase in the price of nearly all sorts of manufactures, which, in almost countless forms, he needs for the use of himself and his family. He receives at the desk of his employer his wages, and perhaps before he reaches his home is obliged, in a purchase for family use of an article which embraces his own labor, to return in the payment of the increase in price which the tariff permits the hard-earned compensation of many days of toil.

I will give only one more extract, and I may say that the whole argument is so able, cogent, and condensed, that it is almost impossible to select any portion of it without impairing the strength and marring the harmony of the whole. He, at least, will not be accused of evasion or cowardice in the presentation of his views and recommendations. If any President ever satisfied the American people that he subordinated private ends to public interests, and had the courage to express his convictions, regardless of personal consequences, President Cleveland in this message, in his veto of the dependent pension bill, and in his enforcement of absolute integrity in the conduct of public officials, high and low, has satisfied them that he is acting with an eye single to the public good. He can say, as the Marquis of Montrose said to those who urged temporizing measures on him as the safest:

He either fears his fate too much,
Or his deserts are small,
Who dares not put it to the touch,
And win or lose it all.

I have an abiding faith that the American people will indorse the closing paragraph of the message. It answers all the claptrap about protection and free trade, and nobody can deny the truth of it.

It is not apparent how such a change can have any injurious effect upon our manufacturers. On the contrary, it would appear to give them a better chance in foreign markets with the manufacturers of other countries, who cheapen their wares by free material. Thus our people might have the opportunity of extending their sales beyond the limits of home consumption—saving them from the depression, interruption in business, and loss caused by a glutted domestic market, and affording their employees more certain and steady labor, with its resulting quiet and contentment.

The question thus imperatively presented for solution should be approached in a spirit higher than partisanship and considered in the light of that regard for patriotic duty which should characterize the action of those intrusted with the weal of a confiding people. But the obligation to declared party policy and principle is not wanting to urge prompt and effective action. Both of the great political parties now represented in the Government have, by repeated and authoritative declarations, condemned the condition of our laws which permit the collection from the people of unnecessary revenue, and have, in the most solemn manner, promised its correction; and neither as citizens or partisans are our countrymen in a mood to condone the deliberate violation of these pledges.

Our progress toward a wise conclusion will not be improved by dwelling upon the theories of protection and free trade. This savors too much of bandying epithets. It is a condition which confronts us—not a theory. Relief from this condition may involve a slight reduction of the advantages which we award our home productions, but the entire withdrawal of such advantages should not be contemplated. The question of free trade is absolutely irrelevant; and the persistent claim made in certain quarters, that all efforts to relieve the people from unjust and unnecessary taxation are schemes of so-called free traders, is mischievous and far removed from any consideration for the public good.

The simple and plain duty which we owe the people is to reduce taxation to the necessary expenses of an economical operation of the Government, and to restore to the business of the country the money which we hold in the Treasury through the perversion of governmental powers. These things can and should be done with safety to all our industries, without danger to the opportunity for

remunerative labor which our workingmen need, and with benefit to them and all our people, by cheapening their means of subsistence and increasing the measure of their comforts.

I know that epithets are not arguments, and that denunciation on one side or the other does not establish either a principle or a fact. But the Supreme Court of the United States and the courts of the several States have denounced taxation in all its forms, when imposed to protect or build up manufacturing interests and industries, or for any purpose other than for public use in running the necessary machinery of the Government, as spoliation and legalized robbery; I can therefore afford to use the same language. I said, in a speech made in the Senate on the 20th of March, 1882:

In the case of the *Loan Association v. Topeka* (20 Wall., 657), Judge Miller delivering the opinion of the court, stated the doctrine in language that has been repeated over and over again, but it will bear repetition. An attempt was made to tax the people of the city of Topeka under the authority given by an act of the legislature so as to issue one hundred bonds of \$1,000 each to establish the King Wrought Iron Bridge Manufacturing and Iron Works Company of Topeka, and to aid in encouraging that company in establishing and operating bridge shops in said city in pursuance of an act of the legislature, which had plenary power, certainly as much power as the Congress of the United States has under the limited power given in the Constitution, which is to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States. Certainly, the power of the legislature that imposed the tax is as broad as the power we have, as all power not granted is reserved in the Constitution to the States and the people. The people of Topeka refused to pay the interest upon the bonds. Suit was brought. The case came to the Supreme Court of the United States, and Judge Miller in delivering the opinion of the court uses this language:

"The power to tax is, therefore, the strongest, the most pervading, of all the powers of the Government, reaching directly or indirectly to all classes of the people. It was said by Chief Justice Marshall, in the case of *McCulloch v. The State of Maryland*, that the power to tax is the power to destroy. A striking instance of the truth of the proposition is seen in the fact that the existing tax of 10 per cent imposed by the United States on the circulation of all other banks than the national banks, drove out of existence every state bank of circulation within a year or two after its passage. This power can as readily be employed against one class of individuals and in favor of another, so as to ruin the one class and give unlimited wealth and prosperity to the other, if there is no implied limitation of the uses for which the power may be exercised. To lay with one hand the power of the Government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms. Nor is it taxation.

"A tax," says Webster's Dictionary, "is a rate or sum of money assessed on the person or property of a citizen by government for use of the nation or state." "Taxes are burdens or charges imposed by the legislature upon persons or property to raise money for public purposes." Coulter, J., in *Northern Liberties v. St. John's Church*, says very forcibly: "I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the Government for the purpose of carrying on the Government in all its machinery and operations—that they are imposed for a public purpose."

In that case he calls attention to a very large number of authorities. Judge Miller says further:

"If it be said that a benefit results to the local public of a town by establishing manufactures, the same may be said of any other business or pursuit which employs capital or labor. The merchant, the mechanic, the innkeeper, the banker, the builder, the steamboat owner, are equally promoters of the public good, and equally deserving the aid of the citizens by forced contributions. No line can be drawn in favor of the manufacturer which would not open the coffers of the public treasury to the importunities of two-thirds of the business men of the city or town."

The Supreme Court refer with approbation to cases decided from the State of Maine, embracing exactly the same principle, that whether taxation is in the form of a direct tax or in any other form, it makes no difference; whenever property may be seized or levied on to enforce the payment of the burden imposed on property, it is as much a tax in one form as in another, and all men whose opinions are entitled to any respect admit that the tariff is nothing but a tax. But when it is imposed for revenue purposes I agree that it is constitutional; when it is laid for subsidy or the protection of special interests, I insist it is unconstitutional, null, and void. In that I am fully sustained by the very able opinions by all the judges of the State of Maine, delivering opinions seriatim when questions were propounded to them by the State legislature. (See 58 Maine Reports, p. 590, etc.) The leading question was:

"Has the legislature authority under the Constitution to pass laws enabling towns, by gift of money or loan of bonds, to assist individuals or corporations to establish or carry on manufacturing of various kinds within or without the limits of said towns?"

The judges took up the question submitted to them. Among other things, the three judges who signed the first opinion, Chief Justice Appleton, Judge Walton, and Judge Danforth, used language some of which I will read. They said:

"Taxes are the enforced proportional contribution of each citizen out of his estate, levied by authority of the State for the support of the Government and for all public needs. They are the property of the citizen taken from the citizen by the Government, and they are to be disposed of by it.

"There is nothing of a public nature any more entitling the manufacturer to public gifts than the sailor, the mechanic, the lumberman, or the farmer. Our Government is based upon equality of rights. All honest employments are honorable. The State can not rightfully discriminate among occupations, for a discrimination in favor of one branch of industry is a discrimination adverse to all other branches. The State is equally to protect all, giving no undue advantage or special and exclusive preference to any."

That opinion of the judges of Maine is a complete answer to the arguments made by leading Republican Senators that if there was no revenue required, no pension list, no army, no navy, they would still protect manufacturers, and would exact taxes by legislation from the mass of the people for the benefit of private parties in order to enable them to sell goods at high prices so that they may carry on their business profitably. The judges of Maine proceed to say:

"No public exigency can require private spoliation for the private benefits of favored individuals. If the citizen is protected in his property by the Constitution against the public, much more is he against private rapacity."

Congress has only to make one more turn of the protective wheel and make the tax for the benefit of the now highly protective monopolies absolutely prohibitory. Will any Senator say that if the Congress of the United States shall pass an act providing that "in order to encourage Andrew Carnegie and his associates," who are already protected by patents against all the people of the United States, "we will prohibit the introduction of foreign Bessemer steel rails into the United States," that the courts would not declare that act unconstitutional? Yet we have very nearly done it. The chances are that it will soon become a prohibitory tax at \$14 a ton. Again the court say, and I hope what they say may be carefully considered by the people:

"If it were proposed to pass an act enabling the inhabitants of the several towns by vote to transfer the farms or the horses or oxen, or a part thereof, from the rightful owners to some manufacturer whom the majority might select, the monstrosity of such proposed legislation would be transparent. But the mode by which property would be taken from one or many and given to another or others can make no difference in the underlying principle. It is the taking that constitutes the wrong, no matter how taken. Whether the cow or the ox be taken from the unwilling owner and given to a manufacturer, or the gift be of money obtained by a sale made by the collector, or by the payment of the tax to avoid such sale, does not and can not change the principle. In either case the cow or the ox or the value thereof is taken from the owner and given away by others without the owner's consent. If a part of one's estate may be given away, another and another portion may upon the same principle be given away until all is gone. What is this but manifest and undisguised spoliation?"

Each of the other judges gave substantially the same opinion, in different language, of course, but each of them pronounced it legislative robbery, their

language being quite as denunciatory as any used on this floor by any of us. Judge Dickerson uses this language:

"What claim has manufacturing to such preference over other branches of industry, commerce, trade, agriculture, and the mechanic arts? These are honorable and beneficial pursuits, and the constitution of this State will be searched in vain to find any powers given to the legislature to authorize towns and cities to discriminate against these employments and in favor of manufacturing in the matter of taxation. If municipal corporations may assess a tax upon their citizens by authority of law to encourage one, it may upon each and all the branches of necessary industry, and the question is reduced to this: Has the legislature the constitutional authority to authorize the towns and cities in this State to tax their inhabitants for the purpose of aiding, establishing, or carrying on, not only manufacturing properly so called, but also farming, shipbuilding, trading, innkeeping, printing, banking, insurance, and any other branch of beneficial industry?"

When another case came up afterwards, which is reported in 60 Maine, "*Allen v. Inhabitants of Jay*," the Chief Justice decided a similar question. The authorities, under an act of the legislature, had attempted to grant aid to a manufacturing company, or to a sawmill that was about to be established. The judge said in that case:

"Taxation by the very meaning of the term implies the raising of money for public uses, and excludes the raising of for private objects and purposes. 'I concede,' says Black, C. J., in *Sharpless v. Mayor*, 21 Pennsylvania, 167, 'that a law authorizing taxation for any other than public purposes is void.' 'A tax,' remarks Green, C. J., in *Camden v. Allen* (2 Dutch., 839), 'is an impost levied by authority of government upon its citizens or subjects for the support of the State.'"

"No authority or even dictum can be found," observes Dillon, C. J., in *Hanson v. Vernon* (27 Iowa, 28), "which asserts that there can be any legitimate taxation when the money to be raised does not go into the Public Treasury, or is not destined for the use of the Government or some of the governmental divisions of the State.

"If there is any proposition about which there is an entire and uniform weight of judicial authority, it is that taxes are to be imposed for the use of the people of the State in the varied and manifold purposes of government, and not for private objects or the special benefit of individuals. Taxation originates from and is imposed by and for the State.

"The idea seems to be that thereby capital would be created. But such is not the case. Capital is the saving of past earnings ready for productive employment. The bonds of a town may enable the holder to obtain money by their transfer, as he might do by that of any good note. But no capital is thereby created. It is only a transfer of capital from one kind of business to another.

"The industry of each man and woman engaged in productive employment is of 'benefit' to the town in which such industry is employed. This can be predicated of all useful labor, of all productive industry. But because all useful labor, all productive industry, conduces to the public benefit, does it follow that the people are to be taxed for the benefit of one man or of one special kind of manufacturing?

"The sailor, the farmer, the mechanic, the lumberman are equally entitled to the aid of coerced loans to enable them to carry on their business with Messrs. Hutchins & Lane. Our Government is based on equality of right. The State can not discriminate among occupations, for a discrimination in favor of one is a discrimination adverse to all others. While the State is bound to protect all, it ceases to give that just protection when it affords undue advantages, or gives special and exclusive preferences to particular individuals and particular and special industries at the cost and charge of the rest of the community.

"Where is the difference between the coerced contribution of the tax-gatherer to be loaned to individuals for their benefit and those of the conqueror from the inhabitants of the conquered country?"

I can add nothing to strengthen the emphatic condemnation pronounced by the highest judicial authorities of the land against all schemes of taxation and all devices and pretexts whereby either manufacturing or other favored interests are sought to be subsidized, protected from competition, or built up by taxation imposed upon the people for their benefit.

Every utterance applies with full force on the position now assumed by the Republican party in its platform on the measure before the Senate.

The leading statesmen of the country have always reprobated the taxation of all the people in the interests of favored classes. Mr. Webster, in the great debate in the House in 1824, said:

Gentlemen tell us that they are in favor of domestic industry; so am I. They would give it protection; so would I. But then all domestic industry is not confined to manufactures. The employments of agriculture, commerce, and navigation are all branches of the same industry; they all furnish employment for American capital and American labor. And when the question is whether new duties shall be laid for the purpose of giving further encouragement to particular manufactures every reasonable man must ask himself both whether the proposed new encouragement be necessary and whether it can be given without injustice to other branches of industry.

These are questions which the American people are at last beginning to consider very carefully.

Mr. Webster further said:

I will now proceed, sir, to state some objections in a more general nature to the course of Mr. Speaker's observations. He seems to me to argue the question as if all domestic industry were confined to the production of manufactured articles; as if the employment of our own capital and our own labor in the occupations of commerce and navigation were not as emphatically domestic industry as any other occupation. Some other gentlemen, in the course of the debate, have spoken of the price paid for every manufactured article as so much given for the encouragement of foreign labor to the prejudice of our own. But is not every article the product of our own labor as truly as if we had manufactured it ourselves? Our labor has earned it and paid the price for it. It is so much added to the stock of national wealth. If the commodity were dollars, nobody would doubt the truth of this remark; and it is precisely as correct in its application to any other commodity as to silver. One man makes a yard of cloth at home; another raises agricultural products and buys a yard of imported cloth. Both these are equally the earnings of domestic industry, and the only questions that arise in the case are two: The first is, Which is the best mode, under all the circumstances, of obtaining the article? The second is, How far this question is proper to be decided by Government and how far it is proper to be left to individual discretion. There is no foundation for the distinction which attributes to certain employments the peculiar appellation of American industry; and it is, in my judgment, extremely unwise to attempt such discriminations.

We are asked, What nations have ever attained eminent prosperity without encouraging manufactures? I may ask, What nation ever reached the like prosperity without promoting foreign trade? I regard these interests as closely connected, and am of opinion that it should be our aim to cause them to flourish together. I know it would be very easy to promote manufactures, at least for a time, but probably for a short time only, if we might act in disregard of other interests. We could cause a sudden transfer of capital and a violent change in the pursuits of men. We could exceedingly benefit some classes by these means. But what, then, becomes of the interests of others?

For my part, I see very little relief to those who are likely to be deprived of their employments or who find the prices of the commodities which they need raised in any of the alternatives which Mr. Speaker has presented. It is nothing to say that they may, if they choose, continue to buy the foreign article. The answer is, The price is augmented. Nor that they may use the domestic article. The price of that is also increased. Nor can they supply themselves by the substitution of their own fabric. How can the agriculturist make his own iron? How can the shipowner grow his own hemp?

These views are as applicable to the measures and propositions now pending as they were then, and the men of America will indorse and support them.

General Garfield, in a speech in the House of Representatives in 1870, describing the American industries that were entitled to protection, said:

We are limited in our tariff legislation by two things: First, the demands of the Treasury; and second, the wants and demands of American industry. I reject that narrow view which considers industry any one particular form of labor. I object to any theory that treats the industries of the country as they were treated in the last census, when we had one schedule for agriculture and another for industry, as though agriculture was not an industry, as though commerce and trade and transportation were not industries. American industry is labor in any form which gives value to the raw materials or elements of nature, either by extracting them from the earth, the air, or the sea, or by modifying their forms or transporting them through the channels of trade to the markets of the world or in any way rendering them better fitted for the use of man. All these are parts of American industry and deserve the careful and earnest attention of the Legislature of the nation. Wherever a ship plows the sea, or a plow furrows the field; wherever a mine yields its treasure; wherever a ship or a railroad train carries freight to market; wherever the smoke of a furnace rises, or the clang of the loom resounds; even in the lonely garret where the seamstress plies her busy needle—there is industry. (Vol. 13, part 6, Record, July 14, 1882, p. 6034.)

Volumes might be filled with extracts from the speeches and writings of every leading statesman of the country of all shades of political opinion condemning the policy now advocated by the Republican leaders, but I am content to stand on the decision of the courts and the opinions of the eminent men from whom I have quoted.

Turning to the discussion of the general proposition, it may be truthfully said that when the arguments of the ablest and fairest advocates of the protective tariff system are analyzed they are all based on the false assumption that the tax is paid by foreigners, or is imposed on goods imported to prevent foreigners from taking advantage of the cheap pauper labor employed by them in the production of their goods, and to protect American laborers, who receive higher wages here in the production of like articles, against such degrading competition. The truth is, as the President very clearly shows, that the American consumer not only pays every dollar of the tariff tax imposed on goods imported, but he pays a price equal to the foreign price, with the tariff tax added, on all similar goods manufactured in this country; and, as four-fifths, on an average, of all such goods consumed here are made at home, and only one-fifth imported, the Government, which collects only the tax on goods imported, gets but one-fifth of the tax, while Congress requires all American consumers to pay the other four-fifths to their protected pets, many members of both Houses of Congress being the beneficiaries; and they patriotically call that protecting American industry.

I know that the leading advocates of protection, among them Senators in carefully prepared speeches, have denied that the price of the home made product is enhanced to the extent of the tax on the imported goods, but their denial does not alter the fact. Indeed, the protectionists all insist that it is true, and prove it conclusively in their arguments before the committees of Congress when demanding protection on their manufactured goods. For example, wool is the raw material of the woolen manufacturer; pig iron, of the various iron products; lead, of the paints; tin plate, of many utensils; and so through the list. In every instance the home manufacturer of more advanced fabrics of wool, iron, lead, and all else claims and obtains protection on the finished products, based on the assumption

that his raw material is enhanced in price to him to an amount equal to its foreign price with the tariff tax added; and he proves it, as I said, conclusively, by showing that he buys a portion, often a large portion, of his raw materials abroad, and pays the tariff tax on it, in preference to buying it from the producer here, solely on the ground that the home producer asks him more than the foreign price of the same article with 50 per cent tariff tax added. Of course he asserts his right to buy where it costs him the least money; and if that is true of such purchases made by men who buy abroad what in their business is raw material, out of which to manufacture more finished products (and they all prove that it is)—and I may add that our tariff laws are all based on the assumption that it is—why, I ask, is it not equally true in regard to all purchases of imported goods, whether purchasers intend to consume them in the shape in which they are imported, or to change their character by additional labor after they obtain them? The purpose for which imported goods are bought cuts no figure in the argument; the fact is incontrovertible that each purchaser buys them for the sole reason that he can buy them and pay the tariff tax on them, and yet get them cheaper than he can buy goods of the same character produced here. If he could not, there would not be a dollar's worth of imported goods sold in this country. If the advocates of the protective system would tell the truth, and avow their purpose to be that no American citizen should be allowed to buy any manufactured article, at home or abroad, unless he pays to people who have no right to any of his money 47 per cent more for it than it was worth, or more than any citizen of any other country who is allowed to buy like articles in the open markets of the world pays for it, they know that they would shock the people, and their demand to be restored to power to carry out such purposes would be indignantly frowned down. Therefore they adopt the specious and patriotic "rallying cry" of protection against foreign pauper labor, which has deceived thousands of their victims.

There are a few plain tests by which, when applied, the wayfaring man, though a fool, need not err in determining from whom the tariff tax is exacted. That tax is imposed only when goods brought from abroad enter the custom-houses in this country. They are all consumed here. No foreigner consumes a dollar's worth of them. He can get them at the price which the American citizen pays for them, less the 47 per cent average tariff tax, with freight, insurance, and other costs added, and the importer would make just as much money by selling to the foreigner, before he starts from the foreign port, for 47 per cent less than he sells to the American, because when he gets 47 per cent and cost of the voyage more out of our people for the goods sold here he gets back only what he paid at the custom-house.

Every man who has sense enough to know anything knows that the home consumer of imported goods pays the tax, and that foreigners consume none of them; therefore, as the American citizens consume all of them, all the tax is paid by the American consumer. Why does he pay it? Nobody is obliged to buy imported goods, when similar goods are manufactured in this country. There can be but one answer, and that I have before stated: The American consumer finds it cheaper to buy imported goods whose price has been increased 47 per cent by a tax called a tariff than it would be to buy like articles manu-

factured in the United States at the price the home producer asks for them. He, of course, buys where he can buy cheapest. Each purchase is an individual one. Neither the Federal Government nor the States, as such, engage in trade. Each man pays the money he has earned by labor of some sort for the things he buys. All limitations imposed on his right to buy what he needs in the cheapest markets are simply means devised, more or less honestly or dishonestly, by Congress, according to the purpose for which they are imposed, to take money out of the consumer's pocket. The fact that he finds it cheaper and better for him to buy the highly-taxed, imported goods than to buy like goods made at home is not only conclusive evidence, but "demonstration strong as proof of Holy Writ," that all goods manufactured here similar to those imported are advanced to the foreign price of the goods, with the American tariff tax and cost of importation added, because, I repeat, if it were not so, no goods could or would be imported. As the home consumer always buys where he can buy cheapest, whether he uses them as raw materials for more advanced products or for consumption in the shape in which they are imported, his action determines that question, so that no sophistry, however plausible, can controvert the facts established by the purchases made of foreign goods, that the price of like homemade goods is advanced to the point of sharp competition with the foreign-made goods with the tariff tax and cost added, and as it is conceded that at least four-fifths of the goods consumed in this country, which are partly imported and partly made here, are of domestic manufacture, it follows, as the Government gets only the tax on the one-fifth imported, that the domestic manufacturer gets \$4 of the enhanced price out of the consumer for every dollar that the Government receives.

The Treasury receives annually about \$220,000,000 from tariff taxation. The protected pets of Congress, many of whom are in both Houses voting the people's money into their own pockets, are receiving at least \$880,000,000. This is exclusive of all bounties on articles, on which there is a high-tariff tax which prohibits importation, or which home producers sell here for less than the foreign price with the tax added. In all that large class of products the tax is, in fact, prohibitory. The Government gets no revenue. The home producers, by trusts and combinations, limiting production, forcing idleness or half-time work on their operatives, and maintaining prices a fraction below the foreign price, with the tariff tax and the cost added, pocket all that Congress authorizes them to compel the people to pay. This is the system which the Republican party pledges itself to perpetuate, regardless of revenue, regardless of governmental needs, under the plausible but false pretense that it is protecting American industry and the wages of American laborers.

As it must be obvious that no American consumer would purchase imported goods if they were not offered to him at a lower price than like goods of domestic manufacture are, it is equally obvious that no importer, whether he be a foreign manufacturer, an American merchant, or exporter who takes goods for what he sells abroad, will import goods and pay all charges and 47 per cent tariff tax on them here unless he can sell them in this market for at least 50 per cent more than he would be willing to take for them at the place of shipment. He would sell them abroad rather than take less, and he can

only sell here by selling his tax-paid goods cheaper than the home producer of like articles sells his product. The markets of the world are open for the sale of foreign products. There are twenty-five times as many people outside of the United States as there are inside of them. The goods on all markets are the private property of individuals. Foreign governments are not engaged in trade any more than ours. Individual self-interest determines the question where and to what market foreign as well as domestic products will be carried, and while mistakes in regard to prices will sometimes be made, they are reduced to a minimum by the telegraph and the other facilities for obtaining prompt and reliable information in regard to the markets of all countries.

The rule in all trade and mercantile transactions is that goods seek the market in which the seller can get the most money net for his property, after paying all tariff taxes, costs, and charges, just as the buyer buys what he needs, regardless of its place of production, where and from whom he gets its best and cheapest. I therefore insist that no amount of sophistry can shake or weaken the plain, truthful statement of facts made by the President nor detract from the force of his earnest recommendation that our present vicious, inequitable, illogical, and unnecessary tariff laws ought at once to be revised and amended, because they needlessly, and therefore wrongfully, tax all the people, not only 47 per cent on the average on all the imported goods they buy above their value in open market, but impose, without furnishing any revenue, an equal tax on all the goods produced in this country that compete with them in our markets for the exclusive benefit of a few protected manufacturers. His argument was made overwhelmingly strong when he showed by the official reports of the last census—and the same proportion exists to-day—that out of 17,392,099 of our population engaged in all kinds of industries only 2,623,089 are employed in such manufacturing industries as are, or can be claimed to be, benefited by a high tariff, leaving 14,769,010 to be taxed 47 per cent on the necessities of life, without any compensation or equivalent, except one dollar out of five paid into the Treasury for the use of the Government, under the pretense that they are thus helping to keep up the wages of about two and a half millions of other laborers, who have themselves to contribute more out of the enhanced price of the things they are compelled to buy, even when they help to make them, than all the enhanced wages they are assumed to receive under so-called protection amounts to.

In the last extract which I read from the President's message he points out with great vigor and clearness the importance of reducing tariff taxation, especially on raw materials, so that our manufactures may be exported to foreign markets and our workmen secure steady employment. I again quote his language:

Thus our people might have the opportunity of extending their sales beyond the limit of home consumption, saving them from depression, interruption in business, and loss caused by a glutted domestic market, and affording their employees more certain and steady labor, with its resultant quiet and contentment.

That is the object which the President avows in his message he seeks above all things to promote. The additions to the free list and reductions in rates of taxation in the Mills bill are efforts to bring

about that result, and I believe the intelligent men of the country outside of the few interested protected combinations will sustain us, and denounce those who seek to delude them, instead of submitting longer to their extortions. The superior intelligence of our operatives will overcome great obstacles. They produce more for the pay they receive than the poorly paid and less intelligent operatives of Europe; and that is the true test of the cost of production to the man who has the products to sell. Three dollars a day to a man who cuts and binds with a machine 10 acres of wheat a day is to his employer cheap, low wages, compared to \$1 a day to a man who cuts and binds an acre, or 50 cents a day to a man who only cuts and binds half an acre.

The opening of the markets of the world has always been held up, even by those who urged temporary protection to infant industries, as an indispensable prerequisite to commercial prosperity, and by no one more earnestly or ably than the Senator from New York (Mr. Evarts). He made a most valuable report as Secretary of State on the "State of labor in Europe" (see Ex. Doc. No. 5, first session, Forty-sixth Congress), from which I read the following:

There is something in the Republic which gives an individuality to the people of the United States possessed by no other people to such a degree. Our inventive genius in mechanical appliances is original, and at least twenty-five years ahead of Europe. Our people accept innovation; are prepared for it by anticipation. Europeans do not. One workman in the United States, as will be seen from the foregoing extracts, does as much as two workmen in most of the countries of Europe; even the immigrant from Europe attains this progressive spirit by a few years' association with American workmen. We have no oppressed and stupid peasantry, little more intelligent than the tools they handle. All are self-thinking, self-acting, and self-supporting.

Within the last fifteen years we have demonstrated our ability by the brilliant development of our own resources to exclude by honest competition foreign manufactures, to a large extent, from our shores. The question which now peremptorily challenges all thinking minds is how to create a foreign demand for those manufactures which are left after supplying our home demands. We can not stand still, for the momentum of increase will soon become so great that it will push us outward anyway; to push us safely and profitably is of so much importance as to almost overtop all other questions of the hour. The question appeals equally to the selfishness and patriotism of all our citizens, but to the laborer it appeals with tenfold force; for without work he can not live, and unless we can extend the markets for our manufactures he can not expect steady work, and unless our manufacturers can undersell foreign manufacturers we can not enlarge our foreign market.

The first great truth to be learned by the manufacturers and workingmen is that the days of sudden fortunes and double wages are gone. We must realize the fact that ocean steam communication has annihilated distance and brought the nations face to face. This drawing together of the nations means equalization in trade, profits, wages, etc., the advantage being with those who soonest accept the situation, and show the most sensible continuity in the new paths of success.

What a contrast is presented between the broad, liberal, and just recommendations of the President, so well sustained and enforced by the report of Secretary Evarts, and the narrow Chinese policy urged by all the present Republican leaders, Senator Evarts I fear included, as adopted by their party in its platform at Chicago. It hardly requires ordinary intelligence to understand that protection means taxation imposed on home consumers sufficient to secure the home market to home manufacturers at their own price, and is a confession that the American manufacturer does not propose to seek for foreign trade or compete with foreign goods in the world's

markets. It surrenders the trade in manufactured articles with all the people of Asia, Africa, Europe, and America, outside of the United States, to foreigners, on condition that the American Congress will prohibit all the people of the United States from buying with the money they worked for (much of which they obtained by selling their products of cotton, wheat, provisions, etc., in foreign unprotected markets in sharp competition with pauper labor), unless they pay to the Congressional bantlings 47 per cent more than they were offered the same things for in the markets in which they were compelled to sell what they produced. Stripped of its gloss and varnish, this is the issue which the American people must settle next November at the polls. Mr. Evarts in that report sounded the keynote, and the President in his message has cleared away the brush under which the vampires who seek to suck the lifeblood of the laboring poor, tried to conceal themselves, while their victims slept.

I think it will be difficult for the distinguished Senator from New York, or any of his political associates, to convince the Senate or the country that they propose to extend the markets for our manufactures to other countries, which Secretary Evarts justly regarded as so important as to overtop all other questions, and one in which the laborers have tenfold more interest than any other class for the reasons he gave. I quote from the Republican platform. It pledges the party to make—

Such revision of the tariff laws as will tend to check imports of such articles as are produced by our people, the production of which gives employment to our labor, and release from import duties those articles of foreign production (except luxuries) the like of which can not be produced at home. If there still shall remain a larger revenue than is requisite for the wants of the Government, we favor the entire repeal of the internal taxes rather than the surrender of any part of our protective system.

With an average tariff tax now of over 47 per cent, which is up to the highest point of war taxation, when incomes, manufactures, professions, everything, were loaded down with internal-revenue taxes, all of which have been removed, tobacco and spirits alone being now taxed and they at greatly reduced rates, if that platform does not mean that they deliberately propose to surrender the markets of the world to foreign nations for all time to come in order to still further enhance the cost to the American consumers of the goods they produce, I am incapable of construing the English language. If it does not mean increased idleness, half-time employment to labor, encouragement to strikes, and closed factories, to prevent production of a surplus beyond the needs of home consumption, in the limited, high-priced markets which Congress creates and protects, I confess my inability to comprehend its meaning. Yet they profess it is all done in the interest of American labor. Every man of sense must know that their professions are false. Their demand for protection is necessarily a confession that our manufacturers do not intend to sell their products in competition with other people outside of the United States. Their outside advocates and congressional partners insist that they will be ruined, if our own people are not prohibited by Congress from buying at home, unless they pay an average tax of 47 per cent more than they are offered for anywhere outside of the United States, on foreign goods which they would have to com-

pete with in the world's markets without any protection. They have the audacity to assert that the President is a free trader, when he recommends a reduction of the tax upon our people to the amount required for public purposes, and that the Democratic party is banded together against American interests and in the interest of European nations, when it demands a reduction of taxation, as it does in the Mills bill, from 47 to 42 per cent beyond what the people of other countries have to pay.

Either their clamor for protection is false or the pretense that they ever expect to manufacture for other markets than our own is untrue, as wages always have been and always will be higher here than in Europe. Of course, they can sell at home cheaper than they can send abroad and sell. If they can not compete on equal terms with foreign goods at home, how can they do so abroad? When we propose to reduce the taxes on their raw materials, on iron, lead, copper, wool, dye-stuffs, and machinery, etc., to enable them to reduce the cost of their products, so that our own people can buy what they need at lower rates, and by such a reduction of cost give them a chance to manufacture goods here in such quantities and at such prices that they can be sent abroad and sold in the world's markets, and thus give the labor they employ steady work by increased production for more extended markets, they meet in convention and denounce us as enemies of the country, conspirators with foreign nations against American interests, and demand still further restriction of imports, which means more exorbitant home prices for their goods, the absolute surrender of the American market to them, which, of course, is nothing less than an absolute surrender by them of all the other markets on earth to foreign nations who make similar goods, and to compensate the American people for the robbery they seek to legalize and perpetuate for all time they generously offer them free whisky and free tobacco.

HOME MARKET.

General Harrison has probably given the Republican platform as careful consideration as any member of his party, and his utterances as to its meaning and as to his purposes in carrying it out, if elected, must be taken as the highest authority. He made a carefully considered speech some time ago, which was reported in a friendly newspaper with all the applause which greeted it, a portion of which I read:

Our party stands unequivocally, without evasion or qualification, for the doctrine that the American market shall be preserved for our American producers. [Great applause.] We are not attracted by the suggestion that we should surrender to foreign producers the best market in the world. Our 60,000,000 of people are the best buyers in the world [applause]; and they are such because our working classes receive the best wages. [Applause.] But we do not mean to be content with our own market. We should seek to promote closer and more friendly commercial relations with the Central and South American States. [Applause.] And what is essential to that end? Regular mails are the first condition of commerce. The merchant must know when his order will be received and when his consignment will be returned, or there can be no trade between distant communities. What we need, therefore, is the establishment of American steamship lines between our ports and the ports of Central and South America. [Applause.] Then it will be no longer necessary that an American minister, commissioned to an American State, shall take an English ship to Liverpool to find another English ship to carry him to his destination. [Applause.] We are not to be frightened by the use of that ugly word "subsidy."

[Laughter.] We should pay to American steamship lines a liberal compensation for carrying our mails instead of turning them over to British tramp steamships.

Nothing illustrates more forcibly the desperate straits to which the Republican candidate for the Presidency is reduced in order to sustain the silly twaddle in his platform than the mass of absurd incongruities contained in the sentences I have read. He does not propose to restore tea or coffee to the tax list. He would oppose a tax on incomes. He does not suggest any new objects of taxation, and stands with his party in favor of the entire repeal of internal-revenue taxes rather than surrender any part of the protective system. Yet he stands unequivocally, without evasion or qualification, for the doctrine that the American market shall be preserved for our American producers. He must have sense enough to know that no revenue can be obtained from imports if the American market is reserved to American producers. The official reports show him that, independent of pensions and interest on bonds, which the internal taxes provide for, there remains over \$200,000,000 to be provided for mainly by tariff taxation to meet the necessary annual expenses of the Government; therefore he is simply talking nonsense when he so emphatically resolved to exclude all competition from abroad with American manufacturers, and pledges himself hereafter to give them a monopoly of the American market.

General Harrison ought to know, and he does know, if he has read President Cleveland's message to Congress, that the men to whom he proposes to grant absolute control of the American markets constitute less than one-eighth of the American workmen who are engaged in honest industries, even when all their operatives are counted in the protected class, while the real beneficiaries are less than one-eighth of an eighth on the most liberal estimate. I will not do him the injustice to assume that he is ignorant of the fact, which intelligent men everywhere concede, that protection can not protect any product of this country which is raised or prepared for market here cheaper than it can be elsewhere, or is produced in such quantities that our own people can not consume it. Cotton, wheat, beef, pork, provisions, tobacco, oils, and dozens of other things illustrate this. Prohibitory tariff taxation might be imposed on all like products of foreign countries, and it would only injure home producers by preventing an exchange of seeds and crosses of breeds for improvement, except at a few points along our extended frontier.

Take cotton, which employs in its production a very large number of the colored race in nearly all the Southern States. In spite of protection 70 per cent of that product is annually exported, and must be sold in Liverpool and other foreign markets in sharp competition with like products raised in all parts of the world by the cheapest and most degraded pauper labor. Of course the price of the surplus in the foreign markets regulates the price of the whole crop at home as well as abroad. No intelligent man will venture to assert that protection protects the producers of cotton or wheat, yet they are both great legitimate and important American industries, employing more laborers in their production than all the factories in the land, and are, therefore, as much entitled to protection as the product of the furnace, the factory, or the loom. It is absurd to talk about protecting either cotton or wheat, and equally absurd to

talk about increasing the consumption of either while the high prices of home manufacturers are maintained so as to limit their products substantially to home consumption.

It is impossible to conceive how any man who lives by farm labor, or the sales of products of the farm, can support the Republican party in its crusade against all the industries of the country, except the comparatively few whose machines are engaged in manufacturing goods for home consumption; or how tradesmen, such as bricklayers, carpenters, blacksmiths, and other unprotected occupations, mainly dependent on the prosperity of farm industry, can do so. All intelligent men know that the whole farming industry of this country is, and under our system of taxation must continue to be, paralyzed. Farms covered by mortgages is the rule rather than the exception. Prices of products are regulated by foreign market rates. Everything that must be sold has to be sold without protection, while \$147 has to be paid on the average to the protected favorites of Congress for every \$100 worth of the kind of goods they produce, which the farmer has to buy and pay for with the money he gets in his competition with foreign producers. It is absurd to contend that manufacturers will or can extend the home markets for farm produce if protection is continued at the present or increased rates. Twenty-five years of experience has proved how false all such pretenses are, and every day makes the proof more conclusive.

GENERAL HARRISON ON SUBSIDY.

General Harrison's protected home market, which, he says, is the best in the world (of course it is to the few protected monopolists, but the worst for those who have to buy), means legalized robbery of the masses to enrich a favored class. I have shown that the Supreme Court of the United States and all the courts of the States have so characterized it in terms even stronger than I have used. But General Harrison says: "We do not mean to be content with our own markets," and he urges subsidies for steamship lines to Central and South America, so that orders for goods and consignments may be made, and so that American ministers shall not be humiliated by sailing under foreign flags, and British tramps may not handle our mails. All this is simply silly, and yet it was received with great applause.

I hope the question will be frequently asked, during the canvass, how American manufacturers, who declare that they will be ruined and driven out of the home market if the present protective tax of 47 per cent against competition with like goods manufactured abroad is reduced to 42 per cent, as the House bill proposes, can send their goods to Central and South America, or anywhere else outside of the United States, and sell them in open market in competition with the foreign pauper-made goods against which they demand that a protective tax of 47 per cent shall be retained in order to enable them to continue their business at home. Either the present tax is an outrageous one, or the pretense that they propose to send their products to foreign countries and compete in open, unprotected markets is false. Subsidy, says the Republican platform, and their candidate, General Harrison, says that he is not to be

frightened by the use of that ugly word, is the true principle by which our lost carrying trade and foreign commerce in manufactured goods is to be restored and made to flourish.

Let us look at the proposed panacea for a moment. Where is the subsidy to come from? Who is to pay it? Who is to receive it? And what equivalent are those who get it to give in return? Everybody knows that Congress has nothing to give except what it directs the tax-collector to take from the people, and everybody knows that it does not require the wealth of the country as such to contribute a dollar to the support of the Government or to any subsidy it grants. Incomes, bonds, palatial residences, all that the rich enjoy, and the poor only look at and wonder where they came from, are exempt from taxation. Only such things as all men, rich and poor, need and use are taxed. The coachman of the hundred times a millionaire, if he has a wife and family, pays more to support the Government than this employer if he has no family. Tariff and internal-revenue taxation fills the Treasury. Out of the money so coerced out of the people the subsidies must be paid. Internal taxes are only paid by those who see fit to use whisky, beer, and tobacco, and they are paid by the consumers, rich or poor, in proportion to the quantity used. Every dollar so paid, less a small fraction over 3 per cent. the cost of collection, goes into the Treasury, to be used for subsidies or legitimate expenditures of the Government, as Congress may direct.

The internal-revenue taxes have become very odious lately to the Republican leaders, mainly because none of them go into their pockets; whereas under the system of tariff taxation they pocket at least \$5 for every dollar that reaches the Treasury, as over five times as many of the goods consumed are produced here as are imported, and the Government only gets the tax on the one-fifth brought from abroad. Of course it only gets that much, as I have shown, because the individual purchaser finds on examination, and each man examines and decides on each purchase for himself, that it is cheaper for him to pay the foreign price and the tax than it is to pay the price the home manufacturer asks. That system of taxation is held in high esteem by its beneficiaries and advocates, and General Harrison is so anxious to maintain it that he proposes to abandon the collection of all internal revenue, because of the "anti-American" principle it contains of paying all the taxes collected into the Treasury. He advocates not only higher protective tariff taxation, but the establishment of a system of steamship subsidies, so as to require taxation to be maintained in that form high enough to provide not only for the ordinary expenses of the Government, but for all the subsidies to favored steamship lines that he can induce Congress to donate. All this is done in the interest of American labor! Their false pretenses are fully exposed when we see who the beneficiaries are, and ascertain what they propose to do with it.

When the proposition was before Congress in July last the Postmaster-General exposed the scheme so completely that I can not strengthen his presentation of the hollowness of the pretenses set up by General Harrison and his platform on the subsidy question, and will therefore quote what he said. I only desire to remark in advance that more than half, say 56 per cent. of the whole subsidy was to be given to two corporations, the Pacific Mail, of which Jay Gould is

president, and the Brazilian Steamship Company, of which H. K. Thurber is president and C. P. Huntington the principal owner, he having bought out the Roach interest. I do not think the country will appreciate the wail of sympathy General Harrison raises for these poor, innocent, helpless infants or their industries. Plain people will rather assume that this munificent gift was intended to give Mr. Foster and his associates an excuse for frying "some of the fat out of them" for campaign purposes. I submit liberal extracts and the tables in regard to trades from the statement of the Postmaster-General. Nobody has answered it; nobody can successfully controvert it, and in my opinion the American people will approve it.

After showing conclusively that the postal service would be seriously damaged by the proposed subsidy of \$800,000 a year, and that he is now paying American companies liberal compensation, he adds:

In the present conditions the proposed law might as well have named the few persons to whom this money is to be paid. Even the laws (Revised Statutes, sections 3976 and 4203) under which American ships might be compelled to carry the mails have been repealed (23 United States Statutes at Large, 58), and it goes without saying that the proposed legislation intends the Department to pay the maximum rate provided, i. e., \$1 per nautical mile for five years, to these few persons, without troubling them with any negotiations as to terms, and, indeed, as you will observe, without even the lodgment of discretion in the department to designate from what ports of the United States the mails shall sail. It may be said in passing that presumably the "terminal points" from which sailings will be made, if self-interest, as is usually the case governs, will be those from which the greatest number of nautical miles may be computed, rather than from those at which the convenience and needs of the service would be suited. It may be noted also that the schedules of sailings are to be furnished by the contractors, and not by the Postmaster-General; altogether, from an analysis of the proposed legislation it would seem to exclude the exercise of any power of any representative of this Government to provide for this mail service in the interest of the people, except after contract, which must be on the carriers' own terms and after the carriers have fixed the schedules according to their ideas of what the mail service should be, to compel them to conform to their own expressed views and decision as to the public convenience and the public interests.

Herewith I furnish you two tables, marked "A" and "B." From them you will see that the mails of this country were carried to Central and South America and the West Indies for the fiscal year ended June 30, 1887, by foreign steamers at a cost of \$7,936.27 at the single rate, and by steamers of American register at a cost of \$39,381.57. The number of miles sailed by the foreign ships employed was 666,448; the miles sailed by the ships of American register employed were 546,758. It will be seen, on the plan of payment proposed, which is fixed without regard to the amount of mail carried, that the service, which costs us in the fiscal year 1887 \$47,317.84, would have cost us, if paid for as proposed, \$1,213,206. It is estimated that the weight of mails will be for the next fiscal year increased 20 per cent over these figures, and from what I have before shown it will be seen that the number of sailings will be increased in about the same ratio over the figures given in Tables A and B. The total cost of the sailings under this bill, predicated upon the business of 1887, can be but an approximate standard by which to estimate the cost under a provision of \$1 for every nautical mile for each outward trip.

Again, it will not commend itself to our people if, with this enormous compensation, avowedly for the carriage of the mails, frequency of transmission shall be largely curtailed, even to ports touched by American ships, as must be the case where we pay one carrier about two hundred and fifty times as much as we offer for the same service to another. In my opinion the bill would not be advantageous to the service, but the disadvantages would be positive in so far as this department is concerned; while if it shall become a law, the department will of course faithfully administer the fund in accordance with the spirit of the act. I feel confident that such administration will result only in a very great pecuniary benefit to a dozen individuals, at the expense and embarrassment of good service, and of inconvenience, injustice, and material injury to

the great body of the people, whose money will be used in the purchase of those results.

"The question (mail subsidy service) can not be dealt with on commercial principles * * * For the sake of keeping up such communication with the East as the nation requires they must set commercial principles at defiance, and cost what it may the nation must either pay them what they lose thereby or forego the communication."

Of course England may subsidize lines of ships to open up new markets for her surplus, because she freely exchanges commodities with such markets; and her policy is after establishing the commerce to steadily decrease the subsidy. If the policy of giving bounties to promote commercial relations with other countries be ever adopted again after the failures in our history, it would seem that its adoption should be deferred until closer commercial relations with those countries can be maintained, and are not antagonized by an opposing system of laws.

I hope that language will be considered carefully by gentlemen on the other side when they are quoting what other nations do in order to build up commerce. They met in Chicago lately, and in their platform declared that they are going to keep the American markets for themselves; they propose to build a Chinese wall around the United States to prevent our people from buying anything produced abroad which can be produced at home at any price, in order to protect home industries.

They propose to take no step in the direction that other nations are moving in order to build up closer commercial relations with other countries, but they propose to antagonize trade with other people by an opposing system of exclusion and restriction which destroys the very idea of commerce with other countries.

The Postmaster-General continues:

Commerce, in the very essence of its meaning, is exchange. It is not to sell and never to buy.

Never to buy seems to be Republican policy in dealing with foreign nations, according to the Chicago platform, if somebody here has the same things to sell, even if he asks double price for them. He adds:

The individual or nation does not exist that will buy all one has to sell for cash with no reciprocal return in profitable exchange. Cargoes out and cargoes back are needed for the creation of a merchant marine. The cargo out will not be bought unless we buy in exchange, and it will be bought if we are willing to trade. Until these conditions come subsidies may maintain a line so long as the subsidy lasts, and then the line will go down for want of legitimate trade. If, however, the subsidy policy is to be pursued, I venture to suggest the Mexican method. When a ship arrives with a cargo the tariff tax is divided with the shipowner, the latter taking 50 per cent of the duty on the goods he brings in payment on account of his subsidy. The trading ship is thus enabled to remit to the consignor, if he will employ his ship, a portion of the government duties, and thus the shipowner is indeed enabled to promote trade with foreign countries directly. An improvement upon the Mexican method, in the interest of the promotion of trade and of the building of ships to conduct it, would be to enable the owners and the builders to receive at the port of consignment in that country a still greater proportion of the duties imposed by the Government upon the cargo.

In this way the Mexican ship would be enabled to get her cargo, charge a fair profit for carriage, and sell to the Mexican consumer at a price at which he could conveniently buy, take out a cargo for exchange, and repeat the process, to the cultivation of much closer commercial relations with foreign countries, and to the maintenance of Mexican shipping. Of course, the Mexican method is somewhat cumbersome, and the same end might be reached without indirection and without the payment of a subsidy by the removal or reduction of the Mexican tariff on imports.

While on the subject of closer commercial relations with South and Central America, for the promotion of which the bill under consideration is doubtless intended, I call your attention to some interesting figures. Our total trade with Brazil for the year ended June 30, 1887, was as follows:

Total imports-----	\$52, 955, 591
Our total exports to Brazil were-----	8, 137, 794
Of the imports we imposed no tariff upon-----	47, 076, 473
We did impose a tariff upon-----	5, 876, 703

Our total trade with Central America for the same period was as follows:

Total imports-----	\$7, 706, 978
Total exports-----	3, 006, 714
Of the imports we imposed no tariff upon-----	7, 195, 705
We did impose a tariff upon-----	441, 916

Our total trade with Venezuela was as follows:

Total imports-----	\$8, 444, 960
Total exports-----	5, 504, 215
Of the imports we imposed no tariff upon-----	8, 248, 450
We did impose a tariff upon-----	12, 786

Our total trade with the United States of Colombia was as follows:

Total imports-----	\$4, 771, 303
Total exports-----	7, 158, 235
Of the imports we imposed no tariff upon-----	3, 934, 559
We did impose a tariff upon-----	16, 594

Our total trade with the Argentine Republic was as follows:

Total imports-----	\$4, 104, 102
Total exports-----	6, 364, 545
Of the imports we imposed no tariff upon-----	3, 347, 936
We imposed a tariff upon-----	752, 256

Our total trade with Chili was as follows:

Total imports-----	\$2, 863, 233
Total exports-----	2, 069, 138
Of the imports we imposed no tariff upon-----	2, 634, 396
We did impose a tariff upon-----	228, 397

These illustrate the universal rule by which the limitations upon commercial relations and the carrying trade with all the countries of Central and South America may be measured. A comparison of the amount brought into the country free of tariff with what we send in exchange is instructive. It should be noted that of the Brazilian imports free of duty the large proportion value is the item of coffee, after deducting which the lesson on exchange of trade as bearing on closer relations with all these countries is the same and the universal one.

I have the honor to be, sir, your obedient servant,

DON M. DICKINSON,
Postmaster-General.

HON. JAMES H. BLOUNT,
*Chairman of the Committee on the Post-Office and
Post-Roads, House of Representatives.*

I agree with the Postmaster-General that we must take what the people we seek to trade with have got to sell if we expect them to buy from us. That is what all the leading commercial countries of the world are doing to secure trade and cargoes for their ships both ways. Does any man suppose that the world will buy from us unless we buy something from them? Is it good policy to close our markets against the world? If so, is it not good policy for them to close their markets against us? Can we sell to everybody and buy from nobody? I think not. That, however, involves, as I said, other questions, which we can discuss by and by.

All I have to add now is that the Postmaster-General demonstrates that from the time we began with the Garrison subsidy, followed by the Roach subsidy, and the subsidy to the Pacific Mail, that brought so much scandal, we have built up no trade of any consequence, except in goods admitted free of duty. We can build up none by subsidies. This subsidy will not build up trade, but it will seriously embarrass existing postal regulations by giving a subsidy to a few men at the public expense, to the detriment of the public service, and to the injury of every taxpayer in the country.

All I ask is that the American people will read the facts stated and the figures furnished by the Postmaster-General. When they do the clamor of General Harrison and his platform for subsidies will not only be repudiated but the fact will be recognized that it is simply a desperate effort to secure partisan support and money subsidy from men of wealth and power in the political campaign now being waged against the tax-paying masses for the benefit of wealthy corporations and combinations. If it was not solemnly asserted in the Republican platform and announced by General Harrison that they propose to build up the American merchant marine and foster and promote our foreign commerce, the assertion would be treated as a broad farce or a ridiculous burlesque.

Protection necessarily exhausts itself when it passes beyond our borders. The monopoly of the coastwise trade is given by Congress to American-built ships. That is perhaps the most valuable franchise that Congress has at its disposal. All the people who have no other means of getting their products to market, or what they need from other parts of the country, are prohibited from using or employing as carriers on our coasts, lakes, and rivers anything but an American-built ship, no matter how extortionate a price the owner of the home-built vessel may ask. Foreign-built ships may offer to do the work for one-half or one-fourth of the price the home shipowners ask. Congress orders that the ship and cargo shall be confiscated if the cheaper offer is accepted. That tribute binds a powerful class of beneficiaries to the protective system, because they get a good share of the plunder. But the high seas are free. Congress can not interfere with the navigation of these God-given highways of the nations, but it prohibits any American citizen from raising the flag of the United States or from claiming the protection of our laws even against pirates or robbers if he dares to send his cotton, wheat, or anything else on a ship he has purchased in a foreign country.

Congress has taxed everything that is needed in building ships so high that ships for the foreign trade can not be built here and compete with foreign-built ships. All other nations buy their ships where they can get them cheapest, yet Congress will not allow our people to buy them elsewhere and hold them as American property. While treaties are now in existence with all other nations which authorize them to trade in all our ports upon the same terms that American-built ships can, we have bound ourselves not to impose on their ships or the cargoes they carry any other or higher taxes, duties, or burdens than we impose on our own ships and cargoes.

The result is, American ships are driven from the high seas. Our flag is not seen on a single steamer that carries our goods and passengers over the Atlantic Ocean. Our ministers to all the courts of

Europe are compelled to sail under foreign flags. I wonder General Harrison did not think of that when he deplored the necessity of using foreign ships to carry them to South America. We pay an annual tribute of \$160,000,000 to foreigners to haul our goods and transport our passengers. We feed, clothe, and keep employed at least 100,000 sailors for England, while we are prostrated at the feet of every third-class power. Our contests hereafter will not be on the land, but on the sea. In short, the old clap-trap that protection insured preparation for war in time of peace is another of the now thoroughly exploded humbugs, though it was once as potent as the present false pretense that protection is demanded solely in the interest of American labor. These questions have all been so elaborately argued, that it is needless to repeat the exposures that have been made. The country knows that protection and restriction of home markets means destruction to our shipping interests and to foreign trade and commerce, and it has in fact destroyed them. All efforts to restore either by subsidies will only add burdens to the people to enrich the least deserving class of lobbyists, without accomplishing or tending to accomplish any of the objects so ostentatiously paraded by the Republican platform and their presidential candidate.

The present Secretary of the Treasury, in his last annual report to the present Congress, shows the folly of our adherence to antiquated navigation laws, under the pretense of protecting home industry, after all the world has abandoned them, in the following statement:

A citizen of the United States may buy a foreign-built vessel in a foreign port; he may put the United States flag upon it, and trade with all countries of the world except his own. Our Government will protect him with all its power in such trade; but if he brings his ship with our flag upon it to one of our ports, our Government will confiscate it or impose prohibitory duties. He may, however, put the flag of any other country on that same ship and bring it to his home without molestation by our Government. It is then protected by the power of a foreign country. It is difficult to understand why it would not be well to so change our navigation laws as to allow foreign-built ships owned by our citizens to come and go between this and other countries while bearing the flag of the country of their owners.

In ante bellum days, when the principles and policy of the Democratic party prevailed, more than three-fourths of the American commerce and a large portion of the commerce of the outside world was carried in American ships, officered and manned by American citizens. At that time, under the low revenue tariff inaugurated by Mr. Polk and maintained until 1861, from 70 to 85 per cent of our carrying trade was carried in American bottoms. We had more shipping in 1860 than all the world combined, except England, and we were rapidly passing her. Less than 10 per cent of our merchant marine was destroyed during the civil war, although that was made an excuse for years for the falling off of our carrying trade, until it was exposed so often by Democrats and Republicans that the men who made the charge were ashamed to make it any longer. But I do not need to rely upon my own assertions or those of any other Democrat to prove what a deplorable condition our commerce and merchant marine have been brought by the Republican protective system.

On the 8th day of February, 1884, p. 975 of the Congressional Record, when Senator Frye reported a bill from the Committee on Commerce to remove certain burdens on the American merchant

marine and to encourage the foreign carrying trade, he opened his speech by saying:

The first section of the bill touches the provision relating to officers of American ships. The law as it stands to-day requires that all officers of vessels of the United States shall be citizens of the United States, and provides a very heavy penalty of 50 cents a ton on a vessel for a violation of this law. It was a good law when it was enacted, when nearly all the sailors on board the ships were American sailors and many of them fit to be made officers; but to-day, when 95 per cent of the sailors are foreigners, it is not a good law and works a great injustice very frequently. The bill reported by me provides that under certain circumstances the officers, other than the captain, may be foreign rather than American citizens.

On the 8th day of January, 1884, page 311 of the Congressional Record, Senator Frye, in a discussion with Senator Vest, of Missouri, in regard to the time when the American tonnage engaged in the foreign trade was largest, said:

I trust the Senator and I will both go into the subject. I stand by my statement that in 1861 the American tonnage in foreign commerce was larger than it was at any other period.

Mr. VEST. The Senator is mistaken; it had begun to decline before that.

Mr. FRYE. I stand by my statement. I said to-day Great Britain carried 85 per cent of our exports and imports, and we carry but 15 per cent ourselves.

Mr. VEST. Does the Senator say that is Great Britain's proportion?

Mr. FRYE. Eighty-five per cent is carried in foreign ships. The gentleman must not be so hypercritical. I mean that in foreign ships 85 per cent of our commerce is carried and our own ships 15 per cent and a fraction. Now, from 1861—and I still adhere to that—down to the very moment I am talking, the course of the merchant marine of the United States has been the lobster's—backward—until it is down to 15 per cent of our own exports and imports in the carrying trade.

Why, Mr. President, if this is permitted to go on, in two or three years more, with the same decrease, there will be no American ships carrying our exports or bringing our imports. It will all be done in foreign bottoms.

During the debate on the fisheries treaty a few weeks ago the Senator from Massachusetts, Mr. Hoar, read a letter from Admiral Porter, of the U. S. Navy, which, while it was an exaggeration in some regards and a wanton insult to all men of Scandinavian nationality, still exhibited the condition to which our navy and merchant marine are now reduced by the policy which the Republican party seeks to perpetuate. While Judge Hoar afterwards denied being responsible for the letter, he commended Admiral Porter and his statements as being worthy of the highest consideration.

OFFICE OF THE ADMIRAL,
Washington, D. C., May 4, 1888.

MY DEAR SIR: I have the honor to acknowledge the receipt of your communication of May 4, asking my opinion of the value of our fisheries as a nursery for seamen for the present navy, which is to be built of iron and propelled by steam.

I beg leave to say that all our fisheries at the present moment are more valuable as nurseries for naval seamen than they ever were before, for our commercial marine has been almost obliterated from the ocean.

In our last war with Great Britain our navy was largely recruited from Massachusetts fishermen, who made the finest men-of-war's men in the world, which was illustrated by their skill in seamanship and gunnery, which gave us such great success over our opponents.

They not only furnished seamen to the navy, but manned that immense fleet of privateers that swarmed the ocean, paralyzed the British commerce, and caused a large section of the British people, led by that great political writer, William Cobbett, to demand of the Government that peace should be secured on any terms.

Notwithstanding the overwhelming naval power of Great Britain during the war, with heavy squadrons in every sea, we were indebted to the New England seamen and the brave officers who led them for a success unparalleled in history.

If we had a war to-morrow we must depend almost altogether upon the fishermen of New England to man our naval vessels.

To show the importance of having trained seamen in time of war, I will mention the fact that the regiment of Marblehead fishermen under John Glover were employed to carry Washington's forces across the Delaware when he surprised and captured the Hessians. Without the aid of the fishermen it is doubtful if Washington would have undertaken the perilous enterprise, for the fishermen were the only ones who considered the project feasible.

The ships that will hereafter be built for the navy will require as good and hardy sailors as have ever been required before, and it is to be regretted that we can not obtain the services of the fishermen in time of peace. Their present calling is more lucrative than any employment they can obtain in the navy, and there are no sufficient inducements held out to them to enlist in the government service.

In time of war with a maritime power the occupation of these fishermen would be gone, and they would flock to enlist in the navy, as they did in the civil war, when the Confederate privateers made their appearance off our coast. The vessels of our navy may be said at the present time to be manned almost entirely by foreigners, who have entered the service not from devotion to the flag. In case war should be suddenly declared against us, our ships abroad would be obliged to return home, discharge their crews, and ship American seamen. In a late inspection of the United States ship *Trenton* the board of inspectors reported to me as follows: "The crew is a fair one, considering their want of knowledge of the English language"—a pretty severe commentary on the class of seamen we enlist in the navy. It is very desirable that we should adopt some system by which we could obtain enough bona fide American seamen to leaven the crowd of foreigners now on board a United States vessel of war. The crews of our ships of war are generally made up of men from all parts of the world, largely from the Scandinavian race, who do not care what flag they serve under. There are the descendants of the Huns, Goths, and other barbarians who once overran Europe. They enlist in our navy softened in character, but still free lances as of old. They serve for money, with no sentiment for flag or nationality, and possibly, if it came to an action with a ship of their own or a neighboring nation, they would haul down the American flag and hoist that of their own country.

The same qualities required for the seamen of fifty years ago are required for the seamen of vessels of war to-day. The better the seaman the more easily he will learn the improvements in gunnery and seamanship, and the best seamen in the world are those who come from the New England fisheries. They are the strongest, hardest class of men I know of. They are exposed to all weathers and bear the severest tempests. They are seamen all over, and I will merely add that in 1812 the old *Constitution*, whose career is familiar to every American, was manned almost altogether by Massachusetts fishermen.

As to any extra science being required to man our present and projected ships of war, I would remark that the management of a ship is easier than it used to be, but we require the same good seamanship we had in days gone by. With a steam capstan and steam winch twenty men can get a large vessel under way. An officer on deck, a man at the wheel, and one at the lead, with the above number on deck for general purposes, and the ship can go to sea with the rest of the crew in their hammocks. But when the machinery is disabled and the ship must rely on her ponderous yards and sails, we want every man to understand English and be a seaman from the crown of his head to the sole of his foot. The modern guns, it is true, are larger than of old, the machinery to work them is a little more intricate, but a week's good drilling would teach native-born seamen all that is essential, and a ship of war at the end of that period would be ready for inspection by the board of inspection. When the board of inspection finish their examination of a ship, she must go to sea ready to meet any enemy of equal force, so that what happened previous to 1812, when the *Chesapeake* was disgraced by the British ship *Leopard*, can never again occur as long as the board of inspection exists.

If we can in a week drill a mongrel crew so that every man knows his various stations on shipboard, how much easier would it be for us to do the same thing

with a crew of New England fishermen, hardy and active in their persons and intelligent beyond any set of foreign seamen.

The question of protection to the New England fisheries and their seamen does not admit of argument, and in my zeal on the subject I may have gone out of my way to prove to you that which you know already.

I inclose you some statistics which, if you have not already got them, will give you the status of our fisheries throughout the United States.

If there is anything bearing on this subject you would like me to hunt up, please let me know, and I will endeavor to obtain it.

The statistics I inclose show at a glance the immense money value of our fisheries and their importance to the country. If it had not been for the fisheries, New England would never have been settled, for on the first landing on those stormy shores it is likely the emigrants would have been forced to go elsewhere but for the quantities of fish, a most fortunate circumstance for the Union, to which New England has added so many true and loyal States.

I have the honor to be, very respectfully, your obedient servant,

DAVID D. PORTER, *Admiral*.

HON. GEORGE F. HOAR,
United States Senate.

Men profess to wonder how England retains half the trade of the world in open, unprotected markets, while she pays her operatives more than double the wages paid by many of her competitors on the continent of Europe. The reason is obvious. She has better machinery and more skillful and intelligent labor. They produce more in proportion to the wages paid, and they produce on such an enormous scale to supply a world-wide market, that they are employed all the year round. The cheapest raw material that can be found anywhere on the face of the earth is supplied untaxed to the manufacturers of England and not a dollar of tax is levied to support the Government on anything needed for the comfort of a laboring man and his family, except a small tax on tea and coffee. England once pursued relentlessly the restrictive policy we now adhere to, till widespread ruin and starvation forced her reluctantly to reverse it.

The history of England while she clung to protection is too well known to need repetition. Squalid poverty was rampant over the land; labor was not only unrequited, but unemployed; corn laws and other onerous burdens imposed for the protection of the landed aristocracy were enforced to secure home markets at high home prices as remorselessly as the Republican party now propose to restrict and protect our home market in the interest of the combined manufacturers and their machinery. This policy brought starvation to the doors of all the workingmen of that country. Bread riots and combinations of desperate, starving men, who threatened the overthrow of the government itself, forced Sir Robert Peel and his ministry to repeal the most odious and oppressive of the protective and restrictive laws which had so long enriched the English protected nobility and made paupers and serfs of the laboring masses. Hon. Edward Atkinson, of Boston, stated the situation forcibly in a very able article in the *Fortnightly Review*, a few years ago. He said, after showing how prosperous England is now under her system of unrestricted trade compared to her condition under her protective tariff system:

A very erroneous idea prevails to some extent in the United States as to the motive of these reforms; and it is often asserted that they were begun when great prosperity had been achieved by the system of tariff taxation that preceded them. How utterly at variance with the facts this view is has been overlooked even by many in England. The true state of the case has been

recorded in these words: "It is impossible to convey by mere statistics of our exports any adequate picture of the condition of the nation when Sir Robert Peel took office in 1841. Every interest in the country was alike depressed. In the manufacturing districts mills and workshops were closed, and property daily depreciated in value; in the seaports shipping was laid up useless in harbor; agricultural laborers were eking out a miserable existence upon starvation wages and parochial relief; the revenue was insufficient to meet the national expenditure; the country was brought to the verge of national and universal bankruptcy. The protective system, which was supported with the view of rendering the country independent of foreign sources of supply, and thus, it was hoped, fostering the growth of a home trade, had most effectually destroyed that trade by reducing the entire population to beggary, destitution, and want. The masses of the population were unable to procure food, and had consequently nothing to spend on British manufactures."—*Noble's Fiscal Legislation of Great Britain*.

There is perhaps no man in England who takes a deeper interest in the welfare of the working classes than Hon. John Bright, and no man is better qualified to present the facts in regard to the effect produced by the change of policy from restricted to unrestricted trade, or, if you please, from protection to free trade in that country than Mr. Bright. A banquet was given to him at Rockdale, November 18, 1881, his seventieth birthday, at which he made a speech to the workmen who had lived as he had under both conditions, in which, among other things, he said:

Now, touching upon this question one is obliged to refer to a very curious fact, that after so many years of experience there are some men who are disposed to call in question the policy of 1846; that is, that there are men of whom you never heard before, and if you would look down the record of all their political life, you would not find a single thing that they have done, and yet they call in question the policy of such men as Sir Robert Peel of 1846 [cheers], and Mr. Gladstone in the succeeding years [loud cheers], and of my lamented friend, Mr. Cobden [cheers], whose services every one acquainted with the recent history of this country must acknowledge. And yet these men—what I should call rather a feeble-minded class of men [laughter]—call in question all this policy, and they have the courage to believe or the simple-mindedness to believe, that the great body of the people of this country, and especially of the working classes, are not in any degree cognizant of the enormous advantages which the new policy of 1846 has given to the country. [Cheers.]

Mr. Bright, after referring to the original opposition of Mr. Disraeli, and stating the facts in regard to the increase of wages since 1840, under the auspices of free trade, said:

There, according to his statement, was an actual doubling of the wages of the laborers in Lord Beaconsfield's own county of Buckingham. Perhaps some of you may recollect a letter which was published almost immediately after Lord Beaconsfield's death, which he wrote to a gentleman who had sent him a book the condition of the population in the southwestern counties of England, and Lord Beaconsfield said he thought he underrated the improvement in the condition of farm laborers; that, according to his opinion, the rise in the wages of the farm laborers had been at least 40 per cent; that is, 10s. of wages per week had risen to 14s. per week. I believe, indeed, that in many parts of the country the wages of farm laborers, taking into account the hours which they work and all particulars, are doubled since the free-trade policy was established. [Hear! Hear!] Now, take the other class of men. I walked down from the Reform Club through the park to the House of Commons one day in the past summer, three or four months ago, and a man—an intelligent, respectable-looking workingman—joined me and addressed me by name. I asked him how he knew me. He knew me because, he said, "I have been a good deal in Birmingham, and have attended your meetings there, and so I know you very well." [Laughter and cheers.] I talked to him a little about his business. He said he was then getting 7s. 6d. a day as a brick setter, and he added, "formerly I used to work for 4s. a day." There is a jump. From 4s. to 7s. 6d. is a considerable leap.

ADVANCE OF WAGES IN THE COTTON TRADE.

Now I should like to tell you of something that has happened nearer home, for I suspect there are many persons in this meeting who have not the least idea of the actual increase of wages that has taken place among the factory operatives in this neighborhood during the last forty years. I was looking the other day at one of our wages books for 1840 and 1841. I will tell you what I found in it and what I found in our wages book now. The figures are taken over an average of two months at that time and over an average of two months now, and therefore are a fair statement of what happened then and what happens to-day. Many persons here know, of course, all about the interior of a cotton factory, and therefore I shall speak as if we were in a mill and looked over the different people at work. I find that in 1839 the throstle-piecers—I need not explain who they are—were receiving 8s. a week, and they were working twelve hours a day. I find that now the same class of hands are receiving 13s. a week at ten hours a day. If they worked for twelve hours, and were paid at the same rate, it would be 16s. a week, or exactly double what they received in 1839, 1849, and 1841. [Cheers.] The young women who worked at the drawing frames at that time had 7s. 6d. a week; they have now 15s., and that is without reckoning the fact that they are working two hours a day less. The rovers and slubbers got 8s. a week then, and they are getting 14s. a week now. The doffers—[laughter]—are considered a class whose wits are a little too sharp—[laughter]—and are sometimes not very manageable. They used to have 5s. 6d. a week, and they now have 9s. 6d. The warpers in those days, as far as my recollection serves me—I am speaking of my own business—were all women. They earned on the average of the two months 17s. 6d. a week. The warpers now are all men, and they have earned in the two months an average of 35s. 6d. a week. [Cheers.] Well, at that time we had a very clever man as blacksmith, whom I used to like to see strike the sparks off; his wages were 22s. a week. Well, our blacksmith now has wages of 34s. a week, and that only for factory time, which is ten hours, whereas the man of 22s. a week worked the then factory time, which was twelve hours. Now you see the enormous change to the people in these factories. They have two hours' leisure which they had not before, and their wages are nearly double.

* * * * *

I think it is impossible to account for this extraordinary improvement in the wages of agricultural laborers, of brick setters and carpenters, and all your factory operatives, and all your mechanics, upon any other theory than this, that the new policy with regard to trade, which has made your trade fourfold, has been the cause which has made this stupendous and unimagined improvement in the condition of the people. [Cheers.]

Mr. Bright could hardly have falsified the facts in the presence of these men. Again, Mr. Bright said, referring to the croakers who predicted ruin to England by free trade and the prediction that their only hope was to leave their country:

Well, you did not go abroad, but you stayed at home. The law was altered so that the bread could come here, and a great many things besides bread. Trade has extended and you have added, in Great Britain alone, more than 10,000,000 to your population in forty years.

* * * * *

And yet, with all that increase of population, you have had the demand for labor more steady, employment better paid, the time of labor shorter. The man must be absolutely blind, or worse than blind, who can not see and will not acknowledge that the great mass of the people, in physical condition, are enormously better off than they were forty years ago.

Again, Mr. Bright said, and that is all I care to quote:

What are the exports now? Instead of being £51,000,000, they amount to close upon if not quite £200,000,000, so that the foreign trade of the country has increased fourfold within that time, and as a matter of course the home trade must have immensely increased at the same time, because so great an increase of foreign trade has brought so great wealth to the country that the home trade has increased probably in quite as great proportion as the foreign trade.

FREE TRADE A BOON GREATEST TO WORKINGMEN.

But there is another point, which is one of extraordinary interest, and it shows, I think, that no class in this country suffered so much by the ancient policy of protection as the working class, and that no other class in this country has gained so much as they have gained during the last forty years by the adoption of the new policy. [Cheers.]

The facts stated by Mr. Bright are conclusive on this question, at least, and that is the main one, that the difference between wages in England and the United States is nothing like as great now as it was forty years ago. Therefore American manufacturers do not need as much protection now to compensate them for the higher wages they pay as they did then, while they are demanding more than twice as much.

When Hon. James G. Blaine was Secretary of State, a few years ago, he made a very able report to Congress in regard to wages in this country and in Europe. He caused the consuls of the United States, all of them Republicans, to examine into the wages of operatives in the leading manufacturing cities of Great Britain and the Continent. Consul Shaw made an elaborate report as to the wages of operatives in the cotton mills of Manchester, from all of which information the Secretary made a very valuable report to Congress, giving the American and European wages paid for similar work, in which he completely refutes all the hired slanderers of the present campaign of the Protective Tariff League in regard to the starvation wages paid to English workmen and fully corroborates all that Mr. Bright said. His report ought to be read in answer to his own partisan political speeches now. On pages 98 and 99 of his official report he says:

Owing to the different arrangements of the English and American tables of wages, it is difficult to give comparative analysis thereof which would show at a glance the difference in the wages of the operatives of both countries.

The wages of spinners and weavers in Lancashire and in Massachusetts, according to the foregoing statements, were as follows, per week:

Spinners: English, \$7.20 to \$8.40 (master spinners running as high as \$12); American, \$7.07 to \$10.30.

Weavers: English, \$3.84 to \$8.64, subject at the date on which these rates were given to a reduction of 10 per cent; American, \$4.82 to \$8.73.

The average wages of employees in the Massachusetts mills is as follows, according to the official returns: Men, \$8.30; women, \$5.62; male children, \$3.11; female children, \$3.08. According to Consul Shaw's report the average wages of the men employed in the Lancashire mills on the 1st of January, 1880, was about \$8 per week, subject to a reduction of 10 per cent; women, from \$3.40 to \$4.30, subject to a reduction of 10 per cent.

The hours of labor in the Lancashire mills are 56; in the Massachusetts mills, 60 per week. The hours of labor in the mills in the other New England States, where the wages are generally less than in Massachusetts, are usually 66 to 69 per week.

Undoubtedly the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer hours of labor. If this should prove to be a fact in practice, as it seems to be proven from official statistics, it would be a very important element in the establishment of our ability to compete with England for our share of the cotton-goods trade of the world.

In the two prime factors which may be said to form the basis of the cotton manufacturing industry, namely, raw material and labor, we hold the advantage over England in the first, and stand upon an equality with her in the second.

Having the raw material at our doors, it follows that we should be able to convert it into manufactures, all things else being equal, with more economy and facility than can be done by England, which imports our cotton and then

manufactures it in her mills. The expense of handling, transportation, and commission must be an important item in this regard as compared with our turning in the fiber from the cotton fields to our mills and shipping it in the advanced form of manufactured goods. Add to this the secondary fact that it costs us no more to handle and manufacture the same than it costs in England, and we stand on an undoubted equality thus far in the race of competition.

In the face of official facts like these from as distinguished a partisan leader as Hon. James G. Blaine, and of the conceded fact that England pays 50 per cent more to her workmen than most of the European continental nations, and yet controls more of the world's trade than all other nations combined, it is evident that the clamor that protection controls or increases the rate of wages paid is false. It is the proportion of goods produced to the human labor employed that settles the question of what wages the employer can afford to pay, and Secretary Evarts proved as well as asserted that the average American workman produced double what was produced by the average European workman, as has been already shown by his report. It is absurd to talk about a people as being paupers who control in free competition more than half the trade and commerce of the world; and it is equally absurd to insist that protection and restriction which produced nothing but pauperism while maintained in England in the interests of their aristocracy, will either develop trade or commerce between us and other countries, or add to the wages or comforts of our laborers in any broad sense, so long as we maintain it alone in the interest of the machinery owned by the manufacturers of this country, to the destruction of all other interests and industries.

If anything else is needed to show the value of trade and commerce to a people, the official statistics of England's progress prove it. They show that while her population has increased from 26,500,000 in 1841 to 35,000,000 in 1881, the able-bodied paupers who had to be supported by taxation in England and Wales decreased from 201,000 in 1849 to 111,000 in 1880, and the number of criminal convictions from 34,000 in 1840 to 15,600 in 1881. The taxable incomes of her people, excluding Ireland, increased from £251,000,000 in 1842 to £582,000,000 in 1880, an increase of 130 per cent, while her population increased only 33. The value of her annual exports was swollen from £51,000,000 in 1840 to £223,000,000 in 1880, an increase of 450 per cent; while the annual savings of the working classes, leaving out of account the increased comfort and advantages afforded by cheap food and materials, are estimated to have increased from £24,500,000 in 1840 to £76,500,000 in 1880.

Mr. Gladstone, who is recognized by all men everywhere as an intelligent, far-seeing statesman, made a speech at Leeds, a few years ago, in which he contrasted our trade under protection in the neutral markets of the world with that of England, now and at the periods when our tariff was at the lowest and their protection was the highest and the most prohibitory. He said:

As for America and her system of protection, he pointed out that in those countries or markets where they met on comparatively equal footing the exports from America amounted to only £4,751,000, while those from the United Kingdom to the same quarter amounted to £78,140,000. "America," said Mr. Gladstone, "is a young country, with enormous vigor and enormous internal resources. She has committed—I say it, I hope not with disrespect—I say it with strong and cordial sympathy, but with much regret—she is committing

errors of which we set her an example. But from the enormous resources of her home market, the development of which internally is not touched by protection, she is able to commit those errors with less fatal consequences upon her people than we experienced when we committed them; and the enormous development of American resources within casts almost entirely into the shade the puny character of the exports of her manufactures to the neutral markets of the world."

He similarly contrasted the trade of Germany, France, Russia, and Holland, and proved that they as well were entirely thrown into the shade by the maligned free trade of Britain. Not only so, he pointed out that in 1842 America controlled four-fifths of her shipping trade with Britain, while now, in 1881, the scales were exactly reversed, and Britain did four-fifths of the business, and that the best, and America only picked up their leavings.

The statesmen of England who broke down the long-cherished protective policy of that country met with an opposition as determined as the monopolists of this country now present to any attempt to curtail or diminish their privileges, and on the same grounds. Joint debates were had before the people. There Mr. Cobden, Mr. Bright, and their adherents laid down the following proposition:

That in the opinion of this meeting the corn laws and every other law which protects one class at the expense of other classes must prove injurious to the national prosperity, and therefore all monopolies, whether passed under the pretext of benefiting the agricultural, colonial, or manufacturing interests, ought to be immediately abolished.

They were met by the advocates of the landed aristocracy and other protected interests with the following counter-proposition, which every protectionist in America repeats to-day as an answer to all propositions for relief:

That protection to native industry, particularly to the agriculture of the country, is essential to the well-being of the State, and any attempt, however plausible, to abolish that protection and further depreciate the productions of our own soil will only end in the spread of inevitable ruin throughout the rural districts, and ultimately deprive the manufacturers of their best and surest customers.

In this country, to-day, the protected combinations are struggling for the maintenance of their right to rob, through congressional subsidies, all the consumers of this country, as earnestly as the landed aristocracy of England struggled to maintain the right to force the mass of the people to pay double price for their products, and they base their demands on the same patriotic pretenses.

No higher evidence of the prosperity brought to a country by unrestricted trade and the reflected benefits derived by other countries from its enlarged commerce can be furnished than is exhibited by our own official reports of our exports and imports to and from foreign countries. So long as England maintained her high protective tariff system, her purchases from us outside of cotton amounted to comparatively nothing. Last year our total exports were, in round numbers, \$703,000,000, of which England and her possessions bought \$424,000,000, and all the balance of the world took only \$279,000,000. Our imports from the British possessions were \$244,000,000, so that they bought from us \$180,000,000 more than we bought from them. Our imports from Great Britain proper were less than 13 per cent of their exports, while they took over 50 per cent of ours.

If protection to home markets is to be the international policy hereafter, and that is the demand now made by the Republican party, its ruinous effect upon all American industries outside of those pro-

tected or licensed by Congress to rob our own people must be apparent to all thinking men. Surely England, with more than half of the world's trade and commerce in her hands, and with all the other nations of the world to trade with, can get clear of the 13 per cent of her exports that we now take much easier than we can get rid of the 60 per cent of our exports, nearly all of them the product of unprotected agricultural industry, which her people take, even if we give her no credit for buying our beef and pork and giving it character and standing in foreign markets as being sound and wholesome, when the leading continental nations of Europe are prohibiting its sale to their people on the ground that it is diseased and unfit for use.

Turning from these general questions, even if I have to be guilty of repetition, to a more careful examination of the effect of restricted markets on labor, it is hard to speak in respectful terms of the false pretenses by which the protected monopolists seek to delude the people.

I have read about Pharisees, hypocrites, and wolves in sheep's clothing, but history shows no such instance of unblushing and shameless effrontery as the Republican platform proposes. The proposition which the protected organizations make to the laboring men of America, indeed to all the people, stripped of its varnish, is: If you will enable us to exclude competition from abroad, give us control of the American market for home-made goods, and enable us to sell what we manufacture at our own prices, which we through trusts and combinations know how to maintain at satisfactory rates, by limiting production through closed doors and strikes to the wants of the home market, we will agree that you shall have all the whisky, beer, and tobacco you want at the cheapest rates, free from all taxation.

The insincerity of the assumption that the Republican leaders propose to restrict the sales of manufactured goods to those they produce in the interest of American workmen is intensified tenfold by the fact shown by the record, that they struggled for years to flood the country with the most degraded character of Chinese labor, and as soon as the war tariff gave them a monopoly of production on their own terms, they passed laws, which they maintained and enforced for over twenty years, authorizing the importation, free of duty, under contracts to be enforced by penalties and liens upon property acquired, the cheapest and most depraved class of pauper labor from all parts of the earth, in order to force American workmen, under pressure from such competition, to accept the lowest wages they could force them down to by this competition, or be driven out of their protected establishments. Yet they pose to-day before the country as the special champions of American labor.

Do they propose to secure or guaranty to the American laborers they employ, out of the bounty, subsidy, or protection they demand that Congress shall force the taxpayers to give them, either steady work or higher wages than they can get any foreign pauper imported, duty free, to do it for? Will this legislation they demand secure to American workmen any rights which they are bound to respect? Of course not. They protest against his right to buy anything required for the comfort or want of himself and his family as cheaply as other people obtain them because that would diminish their profits. They will cheerfully consent to let him have free cheap whisky and tobacco, because all the tax collected from them

goes into the Treasury, which they regard as an outrage on them, and they thank God that they are too virtuous and patriotic to deal in such products, except in their "pluck me stores," where most of their laborers' wages are swallowed up. They parade their contempt for cheap goods for workmen on all occasions.

The political biographers of General Harrison quote with pride and satisfaction the profound statesmanship and intense interest exhibited by him for the working classes when he announced in what they call his great speech in March last:

I am one of those uninstructed political economists that have an impression that some things may be too cheap, that I can not find myself in full sympathy with this demand for cheaper coats which seems to me necessarily to involve a cheaper man and woman under the coat.

If that means anything it means that the man who gets a coat for 10 bushels of wheat, or the woman who gets a dress for 50 pounds of butter, is a cheap man or woman, while they would be highly respectable in General Harrison's estimation if they had paid 20 bushels of wheat and 100 pounds of butter for the same coat and dress to some protected pet of Congress, to whom they are compelled by law to pay double what the people to whom they are obliged to sell their wheat and butter offered them the same things for.

Machinery is, day by day, supplanting human factory labor. It neither eats, drinks, nor wears any product of human industry except coal, and needs no protection against any other like machine anywhere. As the proportion of machine work increases and human work decreases the proportion of increase of price which protection gives goes in a like or greater ratio into the pockets of the machine-owners. The machine is the laborer in whose behalf the organized bands that fill our lobbies are so clamorous in their demand for protection. Of course, as the owners of the machinery control the work of both hands and machines, when demand for products is slack or the supply exceeds it, the owner drops the human labor first as far as possible, and limits products, if he produces at all, to what the machines, aided by the least amount of human labor, can do, so that all, or the lion's share, of the high price which protection secures may be retained by him.

It will be a striking evidence of the power of employers over their workingmen, or of the credulity, not to say ignorance, of that class of men, if the organized lobbyists succeed in making them believe that their welfare, or the desire to keep up their wages, enters into the contest now being waged. The contract-labor laws under which they imported pauper labor during all the years they controlled the Government; the struggles made by their leaders, General Harrison included, to flood the country with Chinese, sending the money to China and importing ten thousand of them at a time, as the managers of the Central Pacific Railroad did, give the lie to all their professions of sympathy with high-priced American labor. The records of the country show that while they require all the people to pay them 47 per cent more for their goods than they could be bought for in the markets where cotton, wheat, and all other farm products have to be sold, they required Congress to maintain and enforce laws enabling them to import the cheapest and most degraded foreign labor, duty free, to run the machinery, and thus drive out the American workmen, or reduce their wages to starvation rates, and they do it all under

the guise of philanthropy and patriotism, and in the name of the Lord.

The time has come when even the colored men who labor from January till December in the cotton fields owe it to themselves to ask General Harrison and his supporters what justice is there in forcing them to pay to a few American manufacturers 47 per cent more for the clothes they wear and the things they must have than they were offered the same things for in the foreign markets in which they are compelled to sell the cotton they labored so hard to raise and prepare for market. The farmers of the North and West may well ask the same questions. They know that they only receive for their products so much of the foreign open market prices as remains after deducting therefrom all costs of transportation, insurance, commission, interest, and the buyer's profit; and after all that they are to be forced for all time to come to pay \$147 to home manufacturers for the same things they were offered at \$100 where their products were sold; their only consolation being that the American home market is protected, and a few hundred pets of Congress are made millionaires at their expense, and are thus enabled to contribute liberally to Republican campaign funds and literature, to buy the votes of all who are purchasable and corrupt all who are corruptible, and through a venal hired press deceive the ignorant, and denounce as enemies of their country all who oppose their schemes of plunder.

The machinery of the capitalist is the only laborer that is really protected. It has secured to its owners, by the aid of Congress, the colossal fortunes so many of them have built up. The free pauper labor of the world, which regulates the wages paid to the human labor employed here, on the universal principle of supply and demand, does not and can not compete with or diminish the profits Congress gives as a subsidy to protected machinery. The Republican party have for a long time secured the lion's share of the home market to the machine owners. They propose now, under the false pretense of protecting American human labor, to give them the absolute power to plunder the American consumers of the products of their machines to any extent they please by imposing stronger prohibition than ever against their right to buy elsewhere; yet they have the audacity to appeal to the laboring men of the country to help them to do it, while they openly threaten to cut down the wages of all their employees and thus retain the protection to their own machine work as high as it is now if the representatives of the people dare to curtail their present extortions. They have hundreds of millions at stake, and they will spend their money freely to win it.

The American Protective Tariff League boasted some months ago of having \$100,000 on hand for "educational organizations," and Mr. Foster's "fat-frying" process will doubtless produce ample corruption funds, while some campaign secretary may again enlighten the country by publishing the correspondence of distinguished aspirants for Cabinet positions or foreign missions as to the amounts they agree to pay for public offices. Fortunately the great mass of the American people are not for sale, and neither Mr. Carnegie nor any of the subsidized band can either buy, delude, or frighten them. With the markets for protected products restricted to home consumption the employee whose daily bread is earned by his daily labor is at the mercy of his employer.

Trusts and combinations regulate production as well as prices. Shops, foundries, and factories may be, and often are, closed for months or worked on half time, and the owners make money while they are closed by the enhanced price of the product as the supply diminishes. The laborer gets no part of it. He is the victim of enforced idleness. The wages he earned while at work are consumed while he is idle. The protection of 47 per cent only protects the goods. Every laboring man would rather contract for steady work all the year at \$2 a day which he was assured of than take the chance of getting \$3 a day while at work, with the risk of idleness or half work half the time. If, added to steady work, he could buy all he needed for himself and family each day for a dollar and the same things now cost him a dollar and a half, he surely would be better off. While all these questions have been argued with great ability both in and out of Congress, and will doubtless be presented with much elaboration all over the country, no one has presented the false pretenses of the protected classes with more power, or shown more clearly by official statements the small proportion that labor bears to the value of protected manufactured products, than the distinguished Senator from Texas, Mr. Coke, in a speech made during the present session, from which I take the liberty to quote as follows:

Of the 17,392,099 of our people engaged in all kinds of industry only 2,623,089 are employed "in such manufacturing industries as are claimed to be benefited by a high tariff." The farmers, persons employed in professional and personal service, domestic servants and laborers, merchants and tradesmen, carpenters and joiners, masons and bricklayers, blacksmiths, tailors, butchers, hakers, plasterers, milliners, and people engaged in railroading and other forms of transportation, and in other miscellaneous occupations, numbering altogether 14,769,010, the people who perform six-sevenths of the labor done in this country, are thoroughly skinned and fleeced under the operation of the tariff. They are taxed in everything they eat, drink, and wear; in everything that enters into the construction of their houses; in their furniture; in their tools and implements; in everything they handle or touch while living, and in their coffins and grave clothes after their death, they, American laboring people, not engaged in any protected industry and not benefited by the tariff, are thus taxed in all they consume in the name of protection to American labor.

Six-sevenths of our American laborers, groaning and staggering under the burdens of a war tariff which enriches others but impoverishes them, after the war has been over for nearly twenty-five years, are solemnly informed that they must continue to bear the burden for the sake and good of American labor. The axioms of good government, which among other things demand such measures of policy as shall produce the greatest good for the greatest number, have been reversed in the tariff legislation, which taxes oppressively the great mass of the people in order that a few may become inordinately rich, and all is done in the name and is alleged to be for the benefit of the American workingman, who in fact suffers more than all others from it, while his employers, the lords of the loom, and of the foundries and furnaces, have become the richest people in America.

These self-constituted guardians of the laboring man, who have become so sleek and fat, while their wards, the laboring men, are thin and lean, the advocates of a high tariff from pure charity to the American workingman, as they would have us believe, inform the country that the sole purpose for which they desire a highly protective tariff is that they may be reimbursed the difference between the high wages paid American workingmen and the low wages paid European operatives. This, they say, is all they ask or desire. With the difference between American and European wages placed in the shape of a tariff tax on foreign goods brought into our markets, high protectionists tell us they have no fear of the competition of the foreign goods with their domestic products. Always and every time their argument centers in and is based wholly on the interests of the workingman. Capital desires nothing and receives nothing through the tariff, and the workingman gets all, says the pro-

tectionist. In order to show the utter falsity and groundlessness of this claim, I read a tabulated statement furnished me from the Bureau of Statistics, which throws a flood of light on this subject, as follows:

Table of specified manufactures, showing amount of capital, value of materials, amount of wages, and value of product, with the per cent of material and wages, also the average ad valorem rate of duty on similar importations for the fiscal year 1887.

[Compiled from the United States census of 1880.]

Manufactures.	Capital.	Value of materials.	Total amount paid in wages during the year.	Value of products.	Per cent of—		Ad valorem rate of duty on imports, 1887.
					Material- els.	Wages.	
Cotton manufactures.....	\$219,504,794	\$113,765,537	\$45,614,419	\$210,950,383	53.93	21.62	<i>Per cent.</i> 40.17
Cotton manufactures (specific).....	208,280,346	102,206,347	42,040,516	192,090,110	53.21	21.88	^a 45.49
Glass.....	19,844,699	8,028,621	9,144,100	21,154,571	37.95	47.95	59.14
Iron and steel manufactures.....	230,971,884	191,271,150	55,476,785	296,557,685	64.50	18.77	40.92
Hosiery and knit goods.....	15,579,591	15,210,591	6,701,475	29,167,227	52.15	22.97	^b 62.80
Silk and silk goods.....	19,125,300	22,467,701	9,146,705	40,033,045	56.12	22.84	50.00
Woolen goods.....	96,095,564	100,845,611	25,836,392	160,606,721	62.79	16.08	^c 39.37
Worsted goods.....	20,374,043	23,012,628	5,683,027	33,549,942	68.59	16.94	67.21
Mixed textiles.....	37,996,957	37,227,741	13,316,753	66,221,703	56.22	20.11	454.20
Woolen and worsted goods.....	116,469,607	123,858,239	31,519,419	194,156,663	63.79	16.23	67.21
Woolen goods and mixed materials...	134,091,621	138,073,352	36,153,145	226,828,424	60.87	17.27	400.70
Woolen goods, mixed materials, and worsted goods.....	154,465,664	161,085,980	44,936,172	266,378,366	60.47	16.87	461.31

^a Cotton cloths.

^b Woolen hosiery.

^c Cotton hosiery.

^d Estimated.

TREASURY DEPARTMENT, BUREAU OF STATISTICS,

January 25, 1888.

WM. F. SWITZLER,
Chief of Bureau.

HON. RICHARD COKE,

United States Senate, Washington City, D. C.

It required either unparalleled impudence or profound contempt for the intelligence of the people, or a combination of both, for the Republicans to declare in their platform that the Mills bill is a free-trade scheme; that its promoters seek to serve the interests of Europe, while they propose to support the interests of America by maintaining uncompromisingly a high protective tariff still further restricting the importations of such necessities of life as can be produced here at any price, and to get rid of the surplus revenue by an entire repeal of the taxes on whisky and tobacco, rather than surrender any part of the protective system. They know, and fortunately the people know, that every dollar of the tax collected on whisky, beer, and tobacco, less $3\frac{2}{100}$ per cent, the cost of collection, is paid into the Treasury of the United States; that every dollar of the \$120,000,000 so collected is needed and used to pay pensions and interest on the war debt, and will be so needed for many years to come. Therefore, as all the ordinary expenses of the government must be provided for by tariff taxation, and the Democratic party proposes so to provide for them in the Mills bill, it follows that the epithets so wantonly and foolishly applied, of free traders and enemies of American interests, only prove the reckless disregard for truth and decency of the men who apply them.

Free trade would produce no revenue from imported goods any more than protection which prohibits imports in order to secure the home market to home producers would; but free trade is not legislative robbery. It would let home consumers buy out of their earnings or from the proceeds of their exports the things they need at the cheapest rates, while prohibitory protection is the worst form of legalized plunder, as it forces the people to buy the things they must have at the highest prices that home producers by trusts and combinations can coerce out of them. The readiness of the protectionists to give up the whisky and tobacco tax grows out of the fact that none of it goes into their pockets, and in their opinion it is not only an outrage but essentially "un-American" to collect taxes in any form unless they pocket the lion's share of them. Every dollar of the tax on whisky and tobacco might be repealed, and it would not start a factory or a furnace in the land, and would not add a penny to the wages of any workingman. The demand for protection is a confession that those seeking it do not propose to compete in open market with those against whom they seek it, and the protestation so earnestly made that a reduction of tariff taxes from 47 to 42 per cent, as the Mills bill proposes, would be ruinous to the protected pets of Congress is not only an admission, which they can not evade, that they are now charging American consumers 47 per cent more than the foreign price of the goods they make and sell, but an assumption that if hereafter Congress does not authorize them to extort from home consumers more than 42 per cent above the foreign price they will be ruined.

Whenever a party assumes that it embodies all the wisdom, patriotism, and integrity in the land, and denounces its opponents as enemies of their country, serving the interests of foreign nations, it is safe to assume that it is pharisaical and hypocritical. When the Republicans adopted the following false and scandalous declaration as part of their platform they merited the contempt of all decent people of all classes, because they knew it was a falsehood when they adopted it:

We are uncompromisingly in favor of the American system of protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue, and confidently appeal to the people for their judgment.

Men sometimes say things in the heat of debate which do them no credit; but the deliberate charge in a carefully prepared platform, reported by a committee of one from each State, and adopted by the representatives from all the States, that the President of the United States and the Democratic party are serving the interests of Europe, while they alone are moved by patriotic motives, is simply an atrocious calumny. Mr. Clay, in 1824, made use of an expression of that sort, to which Mr. Webster replied. I adopt his reply as the best answer to this infamous charge thus deliberately made. I must add, however, in justice to Mr. Clay, that he said:

Both classes are equally sincere in their respective opinions, equally honest, equally patriotic, and desirous of advancing the prosperity of the country.

The following is the extract from the speech of Mr. Webster, delivered on 1st and 2d of April, 1824, in the House of Representatives, to which I refer:

And allow me, sir, in the first place, to state my regret, if indeed I ought not to express a warmer sentiment, at the names or designations which. Mr.

Speaker, Mr. Clay has seen fit to adopt for the purpose of describing the advocates and the opposers of the present bill. It is a question, he says, between the friends of an "American policy" and those of a "foreign policy." This, sir, is an assumption which I take the liberty most directly to deny. Mr. Speaker certainly intended nothing invidious or derogatory to any part of the House by his mode of denominating friends and enemies. But there is power in names, and this manner of distinguishing those who favor and those who oppose particular measures may lead to inferences to which no member of the House can submit. It may imply that there is a more exclusive and peculiar regard to American interests in one class of opinions than in another. Such an implication is to be resisted and repelled. Every member has a right to the presumption that he pursues what he believes to be the interest of his country with as sincere a zeal as any other member. I claim this in my own case; and while I shall not, for any purpose of description or convenient arrangement, use terms which may imply any disrespect to other men's opinions, much less any imputation upon other men's motives, it is my duty to take care that the use of such terms by others be not, against the will of those who adopt them, made to produce a false impression.

Indeed, sir, it is a little astonishing, if it seemed convenient to Mr. Speaker, for the purpose of distinction, to make use of the terms "American policy" and "foreign policy," that he should not have applied them in a manner precisely the reverse of that in which he has in fact used them. If names are thought necessary, it would be well enough, one would think, that the name should be in some measure descriptive of the thing; and since Mr. Speaker denominates the policy which he recommends, "a new policy in this country;" since he speaks of the present measure as a new era in our legislation; since he proposes to invite us to depart from our accustomed course, to instruct ourselves by the wisdom of others, and to adopt the policy of the most distinguished foreign states, one is a little curious to know with what propriety of speech this imitation of other nations is denominated an "American policy," while, on the contrary, a preference for our own established system, as it now actually exists and always has existed, is called a "foreign policy." This favorite American policy is what America has never tried, and this odious foreign policy is what, as we are told, foreign States have never pursued. Sir, that is the truest American policy which shall most usefully employ American capital and American labor, and best sustain the whole population. With me it is a fundamental axiom, it is interwoven with all my opinions, that the great interests of the country are united and inseparable; that agriculture, commerce, and manufactures will prosper together or languish together; and that all legislation is dangerous which proposes to benefit one of these without looking to consequences which may fall on the others.

The closing sentences embody in eloquent words the leading ideas of President Cleveland's message and express better than I can the true principles of the Democratic party, while the whole of this extract voices the sentiments and feelings of every honest man against the charges so wantonly and falsely made by our opponents. In behalf of the great party to which I have the honor to belong, I adopt and repeat his indignant utterances as the best answer to the miserable slander contained in the Republican platform.

One of the leading grievances against George III by the American colonies in the Declaration of Independence was "For cutting off our trade with all parts of the world." The Senator from Maine [Mr. Frye], in a speech in the Senate in 1882, stated the grievances of the colonies against Great Britain in these words:

For centuries England was the most earnest, vigorous, and determined champion of protection the world ever saw, enforced the extremest doctrines by all the powers of war and all the arts of diplomacy. She destroyed the growing commerce of Ireland by one blow of her navigation laws, repressed her cattle raising, her wool growing, her manufactures, and made her the waste of to-day. She attempted the same rôle in America; forbade the exportation of her products to any country other than her own; forced all the carrying trade into English bottoms; repressed all manufactures of fabrics, and provided by law "that none of the American colonies should manufacture iron of any

kind; that no smith should make a bolt, spike, or nail, bar or rod iron; that no mill or other engine for rolling iron or furnace for making steel should be permitted;" finally drove us to revolution and lost the brightest jewel from her diadem.

The American commissioners in 1783 made an earnest effort to secure free trade between the United States and the dominions of Great Britain. I quote from a letter written by Thomas Jefferson to Edmund Randolph, December 16, 1783, in which he says:

The definitive treaty had been received by the President some time and a joint letter from our ministers. This gave us an account of the various propositions and steps taken on both sides in the negotiation which preceded the definitive treaty. Mr. Hartley was the British negotiator with America. He was well disposed, but his zeal for systems friendly to us constantly exceeded his powers to agree to them. Our ministers proposed a free intercourse between every part of the British dominions and the United States, having the rights of their chartered companies. Mr. Hartley approved of it, but his court declined assenting. He then proposed that the unmanufactured produce of the United States should be admitted into Great Britain and the manufactures of Great Britain into the United States, and that we should be allowed to carry our own produce to the West Indies. On being questioned, however, he had no authority to conclude upon these articles even if agreeable to us.

Hon. David A. Wells speaks thus of the principal causes which led to the American Revolution, and of the men who were leaders in it:

By the statute of 1650 the export and import trade of the English colonies was restricted to English or colony built ships; but by the statute of 1663 nothing was allowed to be imported into a British plantation except in an English-built ship "whereof the master and three-fourths of the crew are English."

* * * * *

The enactment of arbitrary laws on the part of Great Britain to prevent her American colonists from freely participating in the carrying trade and commerce of the ocean was, however, a sore grievance, and ultimately, as is well known, constituted one of the prime causes of the American Revolution. They were, furthermore, from the very first either openly or secretly resisted and evaded, and under their influence the colonists became a nation of lawbreakers. Nine-tenths of their merchants were smugglers. One-quarter of all the signers of the Declaration of Independence were bred to commerce, to the command of ships, and to contraband trade. Hancock, Trumbull (Brother Jonathan), and Hamilton were all known to be cognizant of contraband transactions and approved of them. Hancock was the prince of contraband traders, and with John Adams as his counsel was appointed for trial before the admiralty court in Boston, at the exact hour of the shedding of blood at Lexington, in a suit for \$500,000 penalties, alleged to have been incurred by him as a smuggler.

* * * * *

Every evasion of such statutes was, therefore, in their view a blow in favor of liberty. Hence, also, the origin of that count in the indictment against the King of Great Britain, embodied in the Declaration of Independence, "of cutting off our trade with all parts of the world."

Such were the views of the men who a hundred years ago were accounted the wisest of American patriots and statesmen. But nowadays to adopt the principles of Hancock, Trumbull, and Hamilton, to advocate the free ownership and employment of ships, and to oppose the enactment of statutes the avowed purpose of which is to restrict or prevent the freedom of international trade and commerce is to invite the accusation of being enemies to the industry of the country and in league with foreign nations to impoverish our own people.

Mr. Wells adds:

In the treaty of commerce entered into between France and the United States in 1778 the commissioners of the two nations, Franklin, Deane, Lee, and Gerard, evidently determined to attempt to inaugurate a more generous policy and establish a precedent for freer and better commercial relations between different countries than had hitherto prevailed. It was accordingly agreed in the treaty in question to avoid "all those burdensome prejudices which are

usually sources of debate, embarrassment, and discontent," and to take as the "basis of their agreement the most perfect equality and reciprocity." And they further stated the principle which they had adopted as a guide in their negotiations to be that of "founding the advantages of commerce solely upon reciprocal utility and the just rules of free intercourse."

In the face of facts like these it is absurd to pretend that there ever was an "American policy" that restricted trade and commerce or that looked to the closing of our markets against foreign products. All that was ever claimed was such an adjustment of duties, imposed for revenue, as would afford incidental protection to home manufacturers.

In 1815 Mr. Clay, who is constantly paraded before the country by the protectionists as their great champion, in the debate on the tariff then proposed to be increased in order to raise the money to pay off the war debt, only urged a tax on imports of 25 per cent, instead of 20 per cent.

"In three years," he said "we could judge of the ability of our establishments to furnish these articles as cheaply as they were obtained from abroad, and could then legislate with the lights of experience." He believed that "three years would be sufficient to place our manufactures on this desirable footing."

Nearly seventy years have elapsed since then, yet 47 per cent average tariff tax is maintained in time of profound peace, almost at the highest war rates, with over \$100,000,000 of surplus annually flowing into the Treasury beyond even the present extravagant, not to say wasteful, expenditures, and all efforts to reduce these taxes to something like a revenue standard are denounced by protectionists as ruinous to American industries.

Mr. Clay had no such ideas as are now maintained by Senators on the other side of this Chamber. In the great debate in the Senate in 1842, while defending the compromise tariff in 1832, under which all duties were brought to a uniform rate of 20 per cent, Mr. Clay said:

If the compromise act had not been adopted the whole system of protection would have been swept by the board by the preponderating influence of the illustrious man then at the head of the Government (General Jackson) at the very next session after its enactment.

Yet General Jackson is sometimes quoted as a protectionist.

Again Mr. Clay said:

As to the compromise, he had already said that it was his purpose, as long as he should remain in the Senate, to maintain that the original principles of the act should be carried out faithfully and honestly; and if in providing for an adequate revenue for an economical administration of the Government they could at the same time afford incidental protection, he would be happy if both of these objects could be accomplished.

Again, he said:

As far as he could go, he would; and that was not to lay duties for protection alone, but in laying duties for revenue to supply the Government with means, to so lay them as to afford incidental protection. He would, therefore, say to the friends of protection, lay aside all attempts beyond this standard and look to what is attainable and practicable.

The position taken by Mr. Clay is precisely the ground occupied by Mr. Cleveland, as all who read his message understand; yet Mr. Clay is lauded as the great apostle of protection, and Mr. Cleveland is denounced as an enemy of his country, working in the interests of foreign nations.

No argument is needed to show that the message of the President and the bill passed by the House are both eminently conservative. Following the recommendations of the message, the bill, while seeking to reduce the dangerous surplus so rapidly accumulating in the Treasury, seeks, mainly by cheapening raw material, to give our manufacturers a chance to cheapen their products, and thus reach a portion of the foreign markets, and at the same time reduce the cost to home consumers. "It deals with a condition, not a theory." It continues protection at rates much higher than the just claims of the manufacturers or the interest of the consumers calls for, but it recognizes the artificial and unnatural conditions on which our manufacturing establishments have been built up, and it carefully avoids such reductions as would give them even a semblance of just cause for complaint. I will not go into the details of the measure now. It is sufficient to say that, if it becomes a law, the manufacturers will have protection against the right of our people to buy similar foreign-made goods of over 40 per cent, because that is what protection means and all it accomplishes, while all the wages they pay to their operatives does not exceed 25 per cent on an average of the value of the home-made product, as shown by the census reports furnished by the manufacturers themselves, and as proved by the official tables heretofore referred to as part of the speech of Senator Coke.

The temptation is very great to comment upon the provisions of the Senate bill in detail, in the light of past legislation and of the concessions made by men of all parties as to the necessity of tariff reduction, especially to show how, in the woolen and cotton and other schedules, there is an unwarranted attempt made not only to increase the rate of taxation over existing law, but to do it in the form of compound and specific duties, so as to conceal the increases so artfully devised; but that would extend this statement to an unwarrantable length. I admit that it is too long already. The flagrant injustice of the proposition will, I hope, be fully exposed when the discussion of the items is taken up to the Senate.

The proposals in the Senate bill in regard to the cotton schedule, I only propose to say now, are simply outrageous, and can not be defended upon any principle of common decency.

No Senator will profess that manufactures, especially cotton manufactures, need any more protection now than they did ten, fifteen, or twenty years ago. Improvements in machinery have cheapened production, and diminished the number of operatives needed in these factories until Mr. Atkinson and all the authorities even in New England agree that one operative will produce as much now as five could with the machinery of twenty years since, which means a proportionate increase of protection to machinery. Yet as early as 1868 the Hon. N. P. Banks, then a Member of the House of Representatives, laid before Congress a proposition from the New England manufacturers consenting to a reduction on woolen and cotton goods of over 25 per cent. The Record of May 7, 1868, will show that Mr. Banks, after giving in detail the reductions to which the manufacturers agreed, said:

These papers which I hold in my hand bear the official signatures of the authorized representatives of one hundred and twelve manufacturing corporations and firms of New England, in which they themselves suggest and consent to reduction of duties upon an extended and complete list of articles of foreign manufacture which come actively and directly in competition with the industries in which they are engaged, rising from 10 to 20, 30, 40, and 50 per cent upon the

present schedule of duties upon such importations. More than a hundred and twelve corporations and firms of cotton and wool manufacturers alone, of their own choice, and after repeated conferences, in which all the interests of the textile fabrics of this country were considered, high and low, made this proposition. * * * As it was with the cotton manufacturers, so it was with the woolen manufacturers. They consented to and in a certain sense recommended, as of their own accord, a reduction of duties of from 23 to 25 per cent.

* * *
 Mr. HOOKER. Will the gentleman allow me to ask him why these interests asked a diminution of the tariff?

Mr. BANKS. Because their attention had been called to the subject. It was their duty to make known to the Government what they desired. They found when they brought their representative men together from all parts of the country that the duties could be reduced and they could still pursue their vocations with more or less success, and like honest and honorable citizens they made that declaration to the Government. And so did the woolgrowers from California to New England. They assembled in the State of New York for the same purpose, and after long and anxious conference one with another and with the woolen manufacturers they agreed, as did the silk manufacturers, to what extent they would recommend a reduction of the duty.

Yet in the face of these propositions and the changes that have occurred to cheapen the production by improved machinery, after the insertion of provisions—inserted I had almost said clandestinely, in the conference report of 1883—increasing the rate on the leading cotton products in which New England was specially interested, it is now proposed to still further largely increase taxation in the interest of a few New England manufacturers; and what is true in regard to them may be said with equal propriety in regard to all the increases proposed in the Senate bill; for, so far as the leading schedules are concerned—in short, it is a bill to increase taxation in the interest of combinations of wealth rather than to reduce it in the interest of the people. The bill, it is true, deals without mercy with the sugar schedule, mainly because nine-tenths of the money collected from the sugar tax is paid into the Treasury and none of it reaches the pockets of the New England monopolists.

When we reduced the sugar tax in 1883 the clamor of all of these combinations then was that we were destroying an industry that employed a large number of American laborers, principally colored men, for whose welfare they expressed great solicitude. Then, as now, the Democrats agreed only to reductions which would not cripple or destroy home products. It is true that when a sugar plantation is once destroyed it is almost impossible ever to restore it. The plant costs nearly \$100 an acre, and takes years to bring it back to a profitable condition after it is once abandoned. It differs from the land upon which hemp, tobacco, and other crops of that sort are produced. They can be changed to something else without loss; whereas the sugar and rice plantations, when once abandoned, can not be used for any other purpose without a sacrifice of all that had been expended upon them to fit them for sugar and rice production. Therefore the Democratic party, while they cut these two products heavier than any other, wisely did it in such a way as not to seriously cripple or destroy the labor or the capital engaged in those products. Now, perhaps to punish the people of the South or to raise the clamor that they are patriotically giving the people cheap sugar, the Republican majority have taken care to add the taxes on sugar which they have reduced because they could not pocket them or turn them over to the protectionists, as nine-tenths went into the Treasury, to the products of

which the monopolists pocket four-fifths and the Government gets one-fifth, and they call that protecting American labor!

I am, however, glad that the Senate committee has gone to the extreme of protection, restriction, and destruction that it has. It makes the issue squarely before the people of the country, whether all the people are for all time to come to be treated as serfs of a few manufacturers, or whether they are to secure through a revenue tariff something like equal rights in the legislation of the country hereafter. The temptation is very great also to show the indignant protests heretofore made, particularly in 1883, by leading Republican Senators, notably Senators Plumb, Ingalls, and Allison, against the tax on lumber, salt, and other things which the committee propose to perpetuate. That, however, can be done hereafter.

But I ought not to fail to state that the low revenue tariff of 1846 produced more general prosperity and progress in the development of all our industry than any protective system since devised has ever done. So satisfactory was its operation that when the parties met and adopted their platforms in 1856 neither party ventured to find any objection to it, and when the further reduction below 20 per cent was made in 1857, it received the almost unanimous approval of the Representatives from New England, nearly all of whom were opposed to the then administration; yet the taxation then imposed was less than half that now conceded by the so-called free-trade Mills bill, and very little over one-third of what is demanded by the bill of the Senate committee. On the 24th and 25th of March, 1870, Senator Allison, then a prominent member of the Ways and Means Committee of the House, spoke of that tariff as follows:

The tariff of 1846, although confessedly and professedly a tariff for revenue, was, so far as regards all the great interests of the country, as perfect a tariff as any that we have ever had. If any interest was depressed under the tariff of 1846, it was the iron interest. I do not believe that this interest, as compared with other interests, had sufficient advantage under that tariff; yet when we compare the growth of the country from 1840 to 1850 with the growth of the country from 1850 to 1860—the latter decade being entirely under the tariff of 1846 or the amended and greatly reduced tariff of 1857—we find that the increase in our wealth between 1850 and 1860 was equivalent to 126 per cent, while it was only 64 per cent between 1840 and 1850, four years of which decade were under the tariff of 1842, known as a high protective tariff, but the average rate of which was about 70 per cent below the existing rate, or 27 per cent under the tariff of 1842 as against 44 per cent upon all importations under the present tariff. Our industries were generally prosperous in 1860, with the exception, possibly, of the iron interest. This was the statement of Mr. Morrill, of Vermont, on this floor during the discussion of the tariff of 1864. With regard to the condition of the steel industry in 1860, the steel manufacturers in 1866, memorializing Congress for increase of duties on steel, stated that—

“It was reserved for Pittsburg to bring about the first substantial and enduring success in the year of 1860; and encouraged by our example numerous establishments have sprung into existence, as already indicated in this paper. This shows that under the revenue tariff of 1857, which imposed only an ad valorem duty of 12 per cent on steel, a substantial success was achieved in the steel manufacture in 1860.” I have read the language of the memorial.

I regard that indorsement of the act of 1846 and of the principles of a revenue tariff as entitled to greater consideration than anything I could say. Hon. Robert J. Walker, Mr. Polk's Secretary of the Treasury, who framed the tariff of 1846, addressed a letter to the people of the United States on the 30th of November, 1867, in which he took occasion to refer to the tariff of 1846, and contrast its principles and provisions with those of the present system. After

showing what amount he thought would be sufficient for the wants of the Government economically administered, he said:

This revenue of \$244,000,000 a year, as a maximum, I would derive from three sources alone:

1. By a tariff for revenue.
2. By an excise on wines, malt and spirituous liquors, and tobacco; abolishing all other internal taxation.
3. By a tax on our national banks, based upon just and fair equivalents.

* * * * * *

A tariff for revenue, as experience has shown, instead of depressing improves all industrial pursuits, including manufactures, and vastly augments the wealth of the country. Under the tariff of 1846, as shown by the census, our wealth increased from 1850 to 1860, 126.45 per cent; whereas from 1840 to 1850 the increase was only 64 per cent; from 1830 to 1840, 42 per cent, and from 1820 to 1830, 41 per cent. So, also, from 1850 to 1860 our agricultural products increased 95 per cent, and our manufactures 87 per cent, being in both cases nearly double any preceding ratio of increase. So, also, our exports, imports, and revenue nearly tripled in the same period of time, and our domestic trade rose nearly in the same ratio. This augmented ratio is not the result of increase of population, which from 1850 to 1860 was less than 36 per cent. The Irish famine was supposed by my opponents to account for the increase the first year, although the decreased price paid abroad that year for our cotton nearly equalled the additional sum paid by England for our breadstuffs and provisions. But the next year and the next, before any gold had reached here from California, our exports and revenue went on augmenting in a corresponding ratio, rising in eight years from \$22,000,000 under the tariff of 1842 to \$64,000,000 under the tariff of 1846.

I think Mr. Walker answers fully the boast of the great feat accomplished by the Morrill tariff, by "transforming ad valorem duties into specific," in the following sentence:

There is another insuperable objection to the specific system, namely, that it unnecessarily and invariably taxes labor vastly more than capital, and the poor in a much greater proportion than the rich, upon the goods consumed. Under the system of specific duties of so much per pound, or yard, or gallon, etc., the specific duty is the same. The rich, who purchase the costly articles bearing only the same specific duty, pay, in proportion to value, less than one-half of what is paid by the poor, who purchase a cheaper and less costly article. If we take all the costly articles purchased by the rich bearing under the present tariff the same specific duty as the inferior article bought by the poor, we will find the difference against them exceeds \$20,000,000 a year. Such is the immense additional tax exacted from labor under the system of specific duties.

Think of the injustice of a system under which the laboring man pays 90 per cent tariff tax on the only kind of blankets he can afford to buy, while the wealthy pay less than 60 per cent tax on such as they use and in like proportion for all else. How long would a law stand in the State of New York that taxes the residence of Mr. Vanderbilt or Mr. Stewart, worth \$2,000,000, no more than the residence of their coachman, worth \$2,000? That is specific taxation. Ad valorem, or a fair per cent tax on each according to its value, is the system adopted by the American people in all their state governmental affairs, and is the only just system. Mr. Walker but expresses the views of all disinterested intelligent men when he says:

Our present system of taxation is the most onerous ever imposed upon any people, and is utterly destructive of the prosperity of our country.

Our present tariff is most unequal, oppressive, and unjust. It is grievously onerous upon agriculture, commerce, navigation, shipbuilding, etc. * * * The present tariff, besides the tax of \$150,000,000 a year upon imports, the duties on which are paid by the people into the Treasury in gold, exacts another tax of at least \$350,000,000 a year in the enhanced prices of rival protected

domestic articles. This can be readily proved by comparing the prices current in gold of such domestic articles with the prices of similar articles produced in other countries. Thus, the tariff taxes the people of the United States to the extent of \$500,000,000 a year, of which only \$150,000,000 goes into the Treasury, and the remaining \$350,000,000 goes into the pockets of the protected classes.

Mr. Walker understood too well the real purpose of the clamor about protection to American labor and the wages of operatives to be deceived by it. He knew that the \$350,000,000 of taxes taken from the people which did not reach the Treasury went into the pockets of the protected classes, and not into the pockets of their operatives. He made a great report to Congress on the 11th day of December, 1848, which I wish every laboring man in the United States could read, whether he works in a factory or on a farm. Even Senators would be benefited by its perusal.

On the subject of specific and ad valorem duties Mr. Walker says:

If the importation of protected articles would rapidly decrease when the foreign were high in price and specific duties operated as a protection, under the tariff of 1842 from 41 to 243 per cent (per Table H, compiled from Treasury returns in 1844), what must not have been the decline of importation and revenue when the foreign article fell, as it has in many cases, 50 per cent, bringing up the specific duty from 41 to 82 and from 243 to 486 per cent? This fact illustrates another objection to the specific duty, namely, that although it professes to be stationary, it is in fact constantly augmenting from reduced prices of foreign articles. Experience proves that from improved machinery, new inventions, and reduced cost of production the foreign articles are constantly diminishing in price, while the specific duty remaining unchanged it is continually increasing in ratio as an equivalent ad valorem, and the protection augmenting every year. Thus, if the price of sugar was 6 cents a pound and the duty 3 cents, it would be equal to 50 per cent ad valorem; but if the price of sugar fell to 3 cents the duty would have risen to 100 per cent ad valorem, thus doubling the protection and continually augmenting with decreasing foreign prices until the duty becomes prohibitory and the revenue on such articles disappears; whereas the ad valorem bears under all changes of price the same exact ratio to the cost of the foreign fabric, and therefore is the most just and equal, as also necessarily insuring a larger revenue.

In this aspect of the case, the objections to the specific duties as a permanent system, with a view to revenue, are insuperable, while their unjust operation upon labor, in imposing so much higher duties as an equivalent ad valorem on the cheaper than the more costly qualities of goods, can not be successfully defended.

That is all I care to say at present on that subject.

One thousand one hundred and thirty-six pages of statements made upon all sorts of subjects before the Senate Finance Committee have been furnished to me. Even that mass of matter contains nothing taken since September 10, 1888. There may be 1,100 more pages that I have not yet seen, and perhaps the committee has not yet had it all printed, but I don't propose to analyze it, or to attempt to go over it in detail. In great part it consists of the demands of men for specific duties and increased or prohibitory taxation. Perhaps Mr. Oliver's statement, on page 125, in regard to steel wire rods, when he was demanding specific rates instead of ad valorem, and increases of duty which should amount to prohibition, illustrates the tone of all of them as well as any other. The following few lines, which I insert here, show what I mean:

Senator BECK. Therefore the specific duty at that time was somewhere about 60 to 65?

Mr. OLIVER. About that, I think.

Senator BECK. That is what I wanted you to guess at if you can not tell otherwise. Now you complain of a reduction from 60 per cent down to 45 per cent.

Mr. OLIVER. We do most emphatically complain.

Senator BECK. You want to prohibit foreign competition, so as to control the home market yourselves?

Mr. OLIVER. That is our position, and we are not ashamed to say it. We want the home market to be supplied by the home manufacturers.

Senator BECK. I thought so.

While I don't propose now to go into the question of trusts or the effect of tariff taxation in their formation and maintenance, because that is before the Senate Finance Committee as a separate proposition and will doubtless be reported upon separately, at which time I may have an opportunity to express my views in regard to them and the encouragement that tariff taxation affords to them, still I can not forbear referring to the well-known and somewhat notorious cotton-bagging trust, which illustrates how the tariff sustains and protects all the others. Congress having imposed prohibitory duties upon jute and the manufactures of jute used for cotton-bagging, all of the men who had by law secured a monopoly of the business and effectually excluded all competition, conspired, or, if you please, combined and formed a trust, buying out the smaller concerns and leasing others, and thus through the trust controlled the whole product, because their machinery could produce in two years more than the country could consume in three, and the prohibitory duty had made foreign competition impossible, as the American market needed more than three-fourths of all the cotton-bagging produced in the world. This combination, thus protected in its extortions by the operation of our tariff laws, almost doubled the price of the cotton-bagging product to the consumers, and the men who thus conspired, after concealing the facts as to their combination, came before the committee when brought back after their action had been exposed and admitted that they had done it because Congress, or at least the House of Representatives, seemed determined to interfere with their monopoly, and they proposed to make the most out of it while the power to do so remained in their own hands.

I do not know of any better commentary on the folly—I might perhaps use a stronger term—of such protective duties as destroy competition and enable men to combine and conspire so as to ruin the mass of the people who must buy from them as the cotton-bagging monopolists admit they have done. A feeble pretense was made in committee, and it may be repeated, that it did not hurt the producer of cotton because the bale was weighed bagging and all, and the price was so much per pound for the whole weight, but when that suggestion or assertion came to be investigated it was so absurd that Mr. Murdoch, who was one of the men asking for an increase of duty on cotton-bagging, agreed that all the tare was in effect a loss to the producer, as shown by the short extract from his statement which I make part hereof, correcting the work in a question from purchaser to producer:

Mr. MURDOCH. There is another point to be considered about the price of bagging. When this cotton is exported to Liverpool the purchaser of the cotton on the other side deducts 6 per cent for tare; that is, he deducts from a 500-pound bale 30 pounds for tare, and for the little soiled cotton that may be

next to the surface of the bale. So that the man who exports the cotton does not pay for the ties and bagging at all.

Senator BECK. Who pays for them? Somebody pays for them. There is 6 per cent deducted for tare; who pays it?

Mr. MURDOCH. As you say, somebody pays it.

Senator BECK. Is it not deducted from the producer always? It must be. Everybody can tell that as well as you.

Mr. MURDOCH. It is the same way when they ship rice; they do not charge for the tierce.

Senator ALDRICH. In this country who pays the 40 cents if it is reduced?

Mr. MURDOCH. I suppose it would go to the planter.

Senator ALDRICH. How would it go to the planter? He sells his cotton for the same price.

Mr. MURDOCH. Yes; he gets the same price for his cotton. You can make a very nice argument about it, but it is so.

Senator HISCOCK. There is no doubt but it must affect the price of cotton?

Mr. MURDOCH. Every article of commerce is put up in packages, and nobody thinks of charging for the packing. Corn is put up in bags; meat is put up in boxes or hogsheads, as the case may be, and nobody charges for them; rice is put up in tierces, and nobody charges for the tierces; the same with cotton. When an article is sold it always carries the cost of the package. But when a planter puts 450 pounds of cotton into a bale, puts the bagging and ties on, and then has 475 pounds of stuff which he hauls 5 miles to market, and sells 475 pounds at 10 cents a pound, you can not persuade him that he is not being paid for his bagging and ties. You might argue with him for a year and it would not have the slightest effect on him.

Senator HISCOCK. He does not appreciate the fact that that is taken into consideration in establishing the price of the article?

Mr. MURDOCH. No; but of course that is so.

I desire to say further in regard to this question of trusts that while so much was being said about the whisky trust, especially in Kentucky, I sent a note to John M. Atherton, esq., of Louisville, Ky., who was the president of the Distiller's Association, asking him to advise me fully as to whatever trusts existed in regard to Kentucky whiskies, telling him that I desired to use his statement before the Senate Finance Committee, or to have him examined before that committee if necessary. He was at Saratoga, N. Y., at the time, and wrote out a full statement of the facts, which I tendered to the subcommittee on finance and requested its publication among the other statements which they were having printed. There were some expressions in it to which my attention was called, and as the Republican members of the committee thought that it contained matters they did not care to publish, it was handed back to me.

Mr. Atherton came to Washington on a summons to appear before the House committee. A few days afterwards I submitted it to him, and he modified some of the expressions which were objected to or were thought improper by the majority of the Finance Committee. I said to Senators Aldrich and Allison that I would attend to having that communication printed myself, as there seemed to be some reluctance on their part to make it part of the general evidence. I now submit it as an appendix to this report, and ask that it may be printed along with it, as it is a full, fair, and complete statement of the truth by a very intelligent man, and one who is better informed in regard to all the doings and operations in distilled spirits in Kentucky than, perhaps, any other man in the State. The political suggestions that he saw fit to make are in entire accord with my views, and therefore I ask that the letter may be printed, just as it is written, as part of this statement.

JAS. B. BECK.

SARATOGA, N. Y.,
No. 98 CIRCULAR STREET,
July 23, 1888.

DEAR SENATOR: The reports from Washington point to the passage of the Mills Bill by the House. This sends the bill to the Senate, and in view of this probability, I take the liberty of submitting to you the facts and reflections contained in this communication. To avoid all confusion I will try to keep separate the facts and those observations and conclusions which in by judgment grow out of the facts, but which I know to be the views of an individual and nothing more.

As known to you I am a distiller of and dealer in Kentucky whisky. In common with all self-respecting men engaged in the liquor traffic, I feel a deep interest in all legislation affecting my business. But apart from this purely selfish consideration, as a citizen of this country, I again, in common with the members of my business, feel that interest in all that concerns this people which honest, law-abiding men should feel. Every decent man in the liquor trade, wholesale and retail, must experience a sense of regret that statements utterly at variance with the facts should be made on the floor of Congress. I will try to mention some of these statements, and in each case give you an honest and truthful recital of facts, evading nothing and concealing nothing.

The reports of debates in Congress in both House and Senate contain charges that there exists in Kentucky a "whisky ring"—a combination organized and maintained for making money in any and every way, whether fair or foul, by defrauding the Government and by proposing and aiding legislation out of which money is to be made by this alleged ring. It is unpleasant enough to bear that part of such an accusation, made in Congress, circulated all over the country, and preserved in the journals of both House and Senate, to be read by generations yet unborn, as fixes or tends to fix upon each individual distiller and dealer in Kentucky his share of the criminality contained in such a charge. But this mortification is deepened by the fact that our public men, our Representatives and Senators, our state officials, our citizens of eminence and influence, are made parties to this "ring," and presented to the public in the light of its agents or attorneys.

The answer to all this is that it is untrue. There is no whisky ring in Kentucky; there never has been. By the word "ring" I mean combination of any and all kinds, making or seeking to make money in any way except by the manufacture and sale of whisky in accordance with the laws of the United States and of Kentucky and in compliance with the methods of honest and honorable business pursuits. If this is true, if there is no whisky ring in Kentucky, it can have no agents and no part in originating or shaping legislation.

I embarked in this business in 1867, and have been continuously engaged in it to this time. I am intimately acquainted with nearly all the distillers and dealers of Kentucky. It is not possible that any ring could exist in Kentucky without my knowledge. But to go to the bottom of this matter, it was the wish of every distiller of Kentucky that the committee of the House investigating trusts would take up the whisky business, and, under the oath of witnesses, get the facts. Many years ago there was in Kentucky an association of Kentucky distillers of which the largest membership did not exceed fifty. Its object was to consider trade matters and to discuss such provisions of law and proposed legislation as affected the distilling business of Kentucky. But at no time was any scheme suggested or desired for evading any law, state or national, or for controlling the business by rings or combinations. The internal-revenue law, enacted mainly in 1869, was in many respects crude, and in not a few extremely technical. It was designed to prevent the gross frauds on the revenue that existed prior to 1869, and to that end had the approval of every distiller in Kentucky. This association regulated storage and other purely commercial questions, and the only part undertaken by it, of any moment, in national legislation, was in the effort to secure an extension of the bonded period, and, in state legislation, in framing a law by which whisky was taxed as other property in Kentucky. There was no pool, no trust, no interference by one distiller with the business, prices, or profits of another. It employed Colonel Wharton as an attorney in Washington in the interest of the bond-extension bill, but violated in that movement no law. That no ring existed, that nothing secret was attempted, that no effort was made to evade or violate law, is

absolutely certain. In 1883 or 1884 this association was abandoned by the distillers, as the matters about which it had been mainly concerned were settled as far as any efforts such as described could avail.

This was followed by a movement to incorporate a company under the laws of Kentucky, with a view solely to regulate production by fixing a maximum quantity to be made each year by the different distillers, each fixing his own price, selling his own product, and conducting his own business. But the movement failed and was virtually abandoned.

In the late spring of 1887 a majority of the distillers in Kentucky entered into an agreement to produce no whisky from July 1, 1887, to July 1, 1888. This agreement is in writing, in existence, and speaks its own scope and intent. A similar agreement is now under consideration in Kentucky, providing for a restriction of the production in Kentucky from July 1, 1888, to July 1, 1889. But the agreement, if made, is by the voluntary action of each distiller, contains no provision for pooling or consolidating, but leaves each to manage his own business in his own way.

All these movements have been open and honest, with no false, secret, or sinister purpose, and are fully set out in writing to speak for themselves. The records of the Internal Revenue Department show the arrests or seizures in Kentucky for violations of law. These records must disprove the charge of fraud attempted or accomplished by Kentucky distillers, and I most earnestly ask you to obtain a statement on this point from the honorable Commissioner of Internal Revenue. You will find numerous arrests, prosecutions, and convictions for "moonshining" in Kentucky and for selling liquor without license, and you will find a large sum expended by the Government in Kentucky for protecting the revenue from such violations. But you will find an exceedingly small list of offenses of any kind by the registered distillers of Kentucky.

No effort has ever been made in Kentucky to combine the liquor trade for political purposes. Many engaged in the trade as distillers and dealers are strong Republicans and vote the Republican ticket.

The trade of Kentucky differs in the matter of reducing or repealing the internal-revenue tax as other people differ. Many desire a reduction to 50 cents, and on this point there is not much difference of opinion, as less money would be required in the business and less apprehension felt about paying taxes.

If the trade of Kentucky differ in politics it can not be true that the whisky interest dominates or controls the politics of Kentucky, as has been charged in Congress.

May I not ask you, if these statements are true, why Senators and Representatives in Congress, why newspapers and public speakers repeat the charge that a whisky ring exists in Kentucky, and by its devilish schemes and dishonorable methods defrauds the revenue and shapes the politics of Kentucky? If the charge is made in good faith, it should be corrected, for the people of the United States are led to form very unfavorable opinions of the Kentucky distillers and dealers. While this faith may not disturb the public, it is unjust to the individuals assailed, and must degrade them in the eyes of the public. If done to impair the standing of our public men or to weaken an influence they may exert in the discussion of public questions, it is still unjust. Such tactics may be good politics, but the charges are false, nevertheless. But whatever may be the purpose—ignorance or politics—you will confer a favor on the whisky trade of Kentucky if you will at least flatly and positively deny the existence of any whisky ring in our State, past or present.

To give you such information as will explain all points and cover the entire question, I will state that there is a trust, composed of distillers mainly north of the Ohio River, and of a few distillers in Kentucky, who produce spirits and nonaging whisky. The office of this trust is in Peoria, Ill. It is needless for me to explain the difference between spirits and Kentucky bourbon, or what is meant by whisky for aging by storage and spirits made for immediate use. You doubtless know all these distinctions, and while it is interesting enough as either a scientific or commercial question, it is foreign to my purpose. Nor is it my wish to lead you into any reflections on the moral questions involved in the liquor traffic. If the business is immoral, and on this point each must form his own conclusions from what he has himself done or seen his neighbors do, it is quite enough to bear that burden. But in addition to this charge, be it true or false, there need not be preferred in high places the further accusation of theft and conspiracy and all that is implied in the usual term of whisky ring. All the statements on this subject in the foregoing you can accept as true.

Now it may be said in support of the whisky ring charge, in the face of the foregoing facts, that nothing of a criminal or semicriminal meaning is intended, and the intent may be to charge that Kentucky whisky (and, for that matter, all domestic whisky) is protected by the internal revenue, and enabled by that protection to exist and grow rich, and the charge has been made that a whisky trust had sprung up under the internal-revenue law and the tariff duties on imported liquors.

As before stated in this communication, there is north of the Ohio River a whisky trust, which embraces all the distillers of spirits and cheap domestic whisky, except two houses, one at Cincinnati and one at Chicago; but I am unable to find how or in what way the internal tax or tariff duties has contributed to the formation of this trust.

1. Spirits and their kindred products made by the trusts are used as soon as made, and certainly do not remain in bond for any considerable period of time. These spirits are never tax paid and stored as tax-paid whisky. So the tax is paid by the trust houses as the spirits are made and withdrawn for consumption. The buyer and consumer speedily pay this tax, and it is in nowise a burden to the trust houses; nor can it be a benefit. If the spirits were stored for age, and unfit for use until aged, a strong combination, able to pay the heavy tax of 90 cents and carry the tax-paid stock, would likely, or at least theoretically, have an advantage over their weaker competitors. But such is not the case, and men or firms of small means, of means enough to build a distillery and buy grain enough to operate it on, can make and sell spirits so far as the tax money is involved, as it is always covered by a draft on shipments made generally as soon as the spirits are barreled. There is no advantage from the internal-revenue law to spirit distillers in a trust or out of it, and any house, no matter how small, can as readily obey the requirements of the law as the largest one. There is the same commercial advantage in favor of a large spirit distillery that exists in favor of a large manufactory of any kind over a small one, less expense per unit of products in the large one than the small one. I mean business expense with which the law can have nothing to do. This statement applies to Kentucky whisky, but in a modified way; the tax of 90 cents is paid at the end of the three years' bonded period on all whisky not previously withdrawn. This tax thus becomes a heavy burden on the Kentucky products (and also on all whisky carried for age beyond the three years). And this burden certainly outweighs any advantages that can ever result from combinations in the fine whisky business. So instead of a benefit even to fine whisky, the tax of 90 cents is such a burden to fine whisky that the great majority of distillers and dealers would be glad to have the tax reduced to 50 cents. The records of the internal revenue will show the number of distillers in existence in the United States and this record will further show the large number of very small distilleries that certainly exist under the present law. The distillers of fine whisky, or at least very many of them, would regret to see the internal-revenue law repealed in full so far as it applies to distilled spirits, for the reason that the marks affixed under the law serve to identify the goods, and is a guaranty to the buyer and ultimately to the consumer of the quality.

Many distillers, also, of all grades of distilled spirits can not understand how a tax inuring to the benefit of the whole people can be collected by the States. Kentucky could impose a gallon tax of 25 cents if the United States tax of 90 cents was repealed, and thus support the state government, provided other grain-growing States imposed the same tax. But Texas, for instance, would object to enriching Kentucky in this way. To this it may be said that the local license would be increased, and thus each State gets its full share of this tax. But to this the reply must be made that there is nothing to indicate any more uniformity in license than in the gallon tax. I state, then, objections that many whisky people have to the entire repeal of the whisky tax as the real and honest objections from a trade standpoint. And it is better that real and honest objections should be stated than that the trade be charged with secret if not dishonest motives for their position on this subject.

On the broader question of taxation, and apart from the selfish interest each has in his own business, the whisky trade differ, as do other people—some for tariff reform and some for protection—some indorse the St. Louis platform, while others indorse the Chicago doctrine.

2. Do tariff duties as now laid benefit the whisky business in any way and aid in the formation of trusts? Most certainly not, for the very simple reason that the

United States is the greatest grain-growing country in the world, and furnishes the cheapest grain of all kinds for all purposes. If there were no tariff duties and no internal tax on liquors (distilled), there could be no interference with American products by imported goods. In Europe potatoes are used to a large extent for whisky or spirit making, but the product is not good, and could not at a less price compete with grain product. This is too plain and too well known to permit of argument. On the other hand, if the tariff duties were reduced or repealed and the internal revenue repealed there would be a large export trade in alcohol and spirits. This trade is now greatly restricted through the legislation of foreign countries, as you know. So whatever may be said about the influence of the tariff in fostering trusts in a general way, there is and can be no connection between the internal revenue or the tariff and the formation of trusts in whisky. Nor does either the tariff or internal revenue give any advantages to the whisky trade or to the large over the small distilleries. It is true that the internal tax induces people residing in mountain regions to engage in moonshining, but it does not and can not benefit the registered distiller who pays his tax.

The price of grain, which is fully two-thirds of the cost of spirits or whisky when made, the character of the water, the price of coal or fuel, the price of staves or barrels, the cost of transportation to market—these facts locate the places where distilling will exist to any extent.

This is no defense of trusts, whisky, or otherwise. It is simply a statement of fact intended to show the relation, if any, that exists between the internal-revenue law and the tariff and the manufacture of distilled spirits. (By distilled spirits I mean grain product, for the entire repeal of the tariff on liquors would affect grape brandy, I expect, but never bring it in competition with grain products.)

In the discussion of tariff as a political or financial question the whisky tax is an important factor. It is so because of the large sum collected annually from that tax, and which renders less taxation on other things practicable. If the assertion is made that the tariff now in force encourages trusts or combinations, it is no sufficient answer to say: "Look at the Kentucky whisky trusts," waiving, in view of the foregoing facts, that Kentucky has no trust nor any combination akin to trusts, and never had. And admitting, as there is a Western whisky trust, the answer is yet totally insufficient. If the country was full of whisky trusts, their existence does not and can not depend on the tariff nor on the internal tax. There is and can be no competition with American grain spirits in United States by imported spirits. Two or more wrongs do not make a right; if trusts are wrong and injurious, and if they exist in the manufacture of articles strictly domestic, the fewer of them the better. If the tariff encourages trusts in articles made abroad, and competitive, if admitted at a lower range of prices, the remedy can not be found in pointing to trusts not affected by the tariff. All trusts resting upon the tariff must be reached through the tariff, while the trusts in domestic goods not affected by the tariff, must be reached by entirely different legislation. This legislation must, by the rate of tariff or internal tax, widen the field of competition if trusts are to be controlled or rendered, by commercial values, impossible or harmless. This must be done, unless there can be enacted and enforced a statute prohibiting trusts of all kinds. The latter remedy is one full of complications, and possibly of restrictions, in directions where no evil can result. It is safer and more in accord with our governmental doctrines to let commercial laws regulate trade than make the attempt by statute. You once stated in the Senate that the tariff fostered trusts, and the force of the charge was met by referring to whisky trusts, etc. Does the tariff foster trusts was the question you raised. It does just so far as it restricts competition. A trust is an agreement among competitors by which competition is suspended, and so far as law works this result, it aids and abets the purposes of a trust. Then, is it not possible for all the manufacturers of the world of a certain article to form a trust? It is possible, but not probable, for the number adds to the difficulty, and a difference of conditions renders the agreement well-nigh impossible. The farmers of the United States can not form a trust because of their numbers and the difference in their conditions. Then, again, it will be said the only remedy for the total extinction of trusts affected by the tariff is in free trade, and a suggestion to fight the tariff trusts by reducing the duty will be charged, if carried to its logical results, as leading to free trade in all competitive articles and in collecting all tariff dues from articles not produced in this country. But however sound this charge may appear in theory, it is not sound in practice, for if the markets of this

country in competitive force are turned over to another country, the same danger of trusts would at once arise in that country. This is true if one country needs protection against another country; that is, if the principle of protection is a true one and based on facts, to destroy the industries kept alive by it is to again abridge competition. The only result that would follow would be a transfer of the trusts from one field to another. Or instead of a manufacturer's trust in this country, we would have an agent's trust, representing foreign manufacturers. The point to be reached is to induce competition, and to do this the largest number of factories should be encouraged—the tariff so reduced as to accomplish this result. If the tariff is so laid as to equalize costs of production, protect labor and the capital invested—for one is useless without the other—then the best result has been obtained that is possible through the force of competitive laws. A policy of restriction, as proposed in the Chicago platform, leads unerringly to the encouragement of trusts, and if that doctrine is applied it will have the Government actively engaged in three directions: Collecting revenue until the prohibitory point is reached, to be given back to the people or spent in extravagant ways; levying a tariff on articles not produced in this country when the prohibitory point is reached, such as tea and coffee; and thirdly, in enacting and enforcing a law to squelch the trusts and monopolies built up under the restrictive system.

As I understand the St. Louis platform, it contemplates the maintenance of our factories and the protection of our labor upon such basis as will hinder trusts, if not destroy them, and give to the people the money unjustly made by combinations, in addition to that now collected by the Government in excess of its requirements. This will induce competition and give new life to business, while it at least curtails the bounties of the trusts and combinations.

Does not the United States census give the increase in workingmen as well as the increase in population? My belief is, if this country is restricted to the home market, as proposed by the Republicans, the labor element will increase in greater ratio than consumption and the existing evils will be augmented year by year. We must consider the increasing difficulties in the way of establishing new industries or of making money rapidly in our country. This will add to the working element, which, with the aid of machinery, must vastly outgrow the consuming ability of the people other than workingmen, for the latter is a large consumer of the product of his own labor, and can not be benefited by taxing himself directly or indirectly. Then our public lands will soon be occupied and this outlet largely curtailed. So all the agencies at work conspire to increase the manufacturing working force at a greater ratio than the consuming force outside this working force. If this is true, a policy of such restriction as the Republicans propose will bring this country like unto a great steam boiler without a safety valve and in which the steam is made faster than used, and a destructive explosion must follow. This constantly-increasing supply of muscle must compete with itself and lower its own value if pent up in this country. The true policy is, keep all of our markets not for trusts and monopolies to rob, but for the great body of the people, and at the same time get all the outlet we can. To this end let in raw material, for on this there has been little labor expended, and of all manner of wealth none can lie still until future generations need it with so little expense and so little detriment to the people as raw material. God made it, or makes it every day, and even in the case of wool, the grass furnished by rain and sunshine does the work, and in it is but little of human sweat, toil, or risk.

And, as I once before wrote you, it is no answer to the demand for tariff reform to point to the increased wealth of the country. The country has wonderful resources, and has increased despite our civil war and its enormous taxation. As long as the country was thinly populated, lands at our doors to be fenced and cultivated at will, and our immense trunk lines of railroad to build, we were bound to grow. But we are rapidly—born as our nation was in the full glory of the nineteenth century with all Europe to fill up with—becoming an advanced people. We had no boyhood, and our years of middle life will be comparatively few. We must look quickly to all the ailments that beset the maturer age of a nation. We must continue to grow rich and honestly distribute that increase as far as law and justice can go.

Yours, truly,

J. M. ATHERTON.

Hon. JAMES B. BECK,
U. S. Senate.

CUSTOMS TARIFF ADMINISTRATION REPORT, 1888.

Mr. ALLISON, from the Committee on Finance, submitted the following report (to accompany a proposed amendment to S. 977) :

On the 21st day of December, 1885, Mr. Hoar, a Senator from the State of Massachusetts, offered the following resolution, which was agreed to by the Senate:

Resolved, That the Committee on Finance are hereby authorized and directed, by themselves or by a subcommittee, to investigate the frauds and abuses alleged to exist in the collection of the customs revenue of the Government at the port of New York and especially the subject of undervaluations of imported merchandise and the reappraisalment of the same at said port; and that said committee or subcommittee have power to pursue such investigation and take testimony at such times and places as they may deem proper, to send for persons and papers, to administer oaths, and compel the attendance of witnesses; and shall report the result of their investigation to the Senate, with recommendations as to what changes, if any, should be made in the customs laws in order to prevent frauds in the importation of merchandise and in the collection of the revenue from customs.

On the 19th of January, 1886, the following resolution was adopted:

Resolved, That the Committee on Finance are hereby authorized to employ a stenographer and such clerical assistance as may be necessary to comply with the resolution of the Senate of December 21, 1885, directing said committee to make an investigation of the frauds and abuses alleged to exist in the collection of the customs revenue of the Government at the port of New York; and they are hereby authorized to make further investigation on the same subject at any other collection port in the United States. The expenses incurred in complying with the provisions of this resolution shall be paid out of the contingent fund of the Senate upon the approval of the committee or the subcommittee;

and on that day the chairman of the Committee on Finance designated Senators Allison, Aldrich, Miller, Beck, and McPherson to make the investigation contemplated in the foregoing resolutions.

In addition to the resolutions above cited the following bill, introduced by Mr. Aldrich, of Rhode Island, was referred to the subcommittee:

— [S. 1153, Forty-ninth Congress, first session.]

A bill to prevent frauds upon the customs revenue.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever the dutiable or foreign market value of any article of merchandise imported into the United States and subject to ad valorem duty, or to duty based in whole or in part on values, is found by the appraising officers to exceed the invoice or entered value thereof, whether such invoice or entered value shall be set forth in a certified invoice, a pro forma invoice, or in a statement in the form of an invoice, there shall be levied, collected, and paid, in addition to the duties now imposed by law on such merchandise, a further sum equal to two per centum of the total appraised value for each one per centum of the increased valuation, as ascertained by the appraisers, in excess of the entered value; and if such appraised value shall exceed the entered value more than fifteen per centum, the entry shall be deemed fraudulent, and the collector of customs shall seize such merchandise and proceed as in cases of forfeiture for violations of the customs laws.

SEC. 2. That in addition to the methods now authorized by law for determining actual foreign market or dutiable value, and to assist in the ascertainment of such value in the appraisal or reappraisal of any article of imported merchandise wholly or partially manufactured and subject to ad valorem duty, or to duty based in whole or in part on values, when such merchandise has been consigned by any person or persons in any other country to a person or persons, agent, partner, or consignee in the United States, or has been obtained otherwise than by actual purchase in the ordinary course of business, it shall be the duty of the appraiser or appraisers to determine, first, the cost of production of such merchandise at the time and place of manufacture, such cost of production to include cost of materials and manufacture, all incidental expenses, insurance, interest, commissions, superintendence, rent, depreciation of plant, finishing and preparation for shipment, and a reasonable profit for manufacture, not less than ten per centum; and, second, the home value of such merchandise, which shall be ascertained by deducting from the wholesale price thereof in the principal markets of the United States the amount of duties thereon and the cost of transportation from the last port of exportation to the port of importation; and in no case shall the dutiable value of such merchandise be appraised, upon original appraisal or reappraisal, at less than the cost of production or the home value thereof, ascertained as herein provided.

SEC. 3. That if any owner, consignee, or agent of any merchandise subject to ad valorem duty, or to duty based in whole or in part on value, shall knowingly make or attempt to make an entry thereof by means of any false invoice, or false certificate of a consul, vice-consul, or commercial agent, or of any invoice which does not contain a true statement of the actual cost of such merchandise if purchased, or if obtained otherwise than by purchase, of the actual market value thereof, at the time of exportation to the United States, in the principal markets of the country from whence the same has been exported, or by means of any other false or fraudulent document or paper, or by means of any other false or fraudulent practice or appliance whatsoever, such merchandise, or the value thereof, shall be forfeited to the United States.

SEC. 4. That one-half of all moneys which shall be hereafter paid into the Treasury of the United States from fines, penalties, or forfeitures incurred for violations of the customs-revenue laws shall constitute a fund from which may be paid, from time to time, on the joint order of the Secretary of the Treasury and the Secretary of State, who are hereby created a board for this purpose, such sums as they may, in their discretion, determine, to meritorious officers of the customs or consular service who shall have been instrumental in the detection or punishment of frauds upon the customs revenue; and the board thereby created shall annually make a report of their doings hereunder to Congress, stating in detail the names of parties to whom money has been paid, their position in the public service, the nature of the services rendered, and the amount paid to each.

SEC. 5. That the sixteenth section of the act entitled "An act to amend the customs-revenue laws, and to repeal moiety," approved June twenty-second, eighteen hundred and seventy-four, be, and the same is hereby, repealed; and in all suits or informations brought, where any seizure is made pursuant to any act providing for or regulating the collection of duties on imports or tonnage, if the property is claimed by any person, the burden of proof shall lie upon such claimant: *Provided*, That probable cause is shown for such prosecution, to be judged of by the courts.

SEC. 6. That all acts and parts of acts inconsistent with this act are hereby repealed.

The committee entered upon the investigation, taking such time therefor as could be spared from other duties in the Senate. Finding it impossible to submit their final report during the Forty-ninth Congress, the Senate on the 2d of March, 1887, passed the following resolution:

Resolved, That the Finance Committee have power to continue the investigation into undervaluations of imported merchandise during the recess of Congress, subject to the provisions and with the powers granted in the resolutions of the Senate of December 21, 1885, and January 19, 1886;

and on the 3d of March, Mr. Aldrich, from the committee, submitted a partial report embracing most of the important testimony taken

by the committee up to that date, which report is known as Senate Report No. 1990, second session Forty-ninth Congress. The term of Senator Miller, of New York, expired with the Forty-ninth Congress and Senator Morrill, of Vermont, became a member of the subcommittee. During the vacation some additional testimony was taken which is herewith submitted, and, together with the testimony and other matter heretofore partially published, is appended hereto and forms a part of this report.

After careful consideration of the subjects embraced in the resolution of Mr. Hoar, and such examination as the committee could make, as the result of their investigation they reported to the Senate on the 20th of December a bill (S. 977) "To regulate the importation of foreign merchandise, and to secure uniformity in the classification and valuation thereof, and for other purposes." This bill proposes certain changes and modifications in the customs laws with a view to prevent fraud in the importation of merchandise and in the collection of the revenue from customs, and with a view also to facilitate importers in securing uniformity of decision and prompt liquidation of their entries and an early settlement of conflicting opinions and decisions respecting the value and classification of imported merchandise and the proper rate of duty thereon.

The proposed bill also contemplates many changes in the mode of transacting business at the custom-house, in the means of ascertaining value, and in the methods of administration, and of the classification of merchandise. Since the report of December 20 last was made the Committee on Finance have from time to time considered further and more in detail the provisions embodied in the plan of the bill then presented, and have made several amendments thereto; and, with this report, submit the bill in its amended form as a substitute for S. 977, and will ask the Senate to substitute the bill here presented, and have it considered as the original bill, retaining its present number and position on the calendar.

To enable the Senate to easily comprehend the various provisions of the substituted bill, the committee submit an analysis of each section thereof, showing its purpose, and in connection therewith the changes in existing law.

The first section is as follows:

That all invoices of imported merchandise shall be made out in the currency of the place or country from whence the importations shall be made or, if purchased, in the currency actually paid therefor, shall contain a correct description of such merchandise, and shall be made in triplicate and signed by the person owning or shipping the same, if the merchandise has been actually purchased, or by the manufacturer or owner thereof, if the same has been procured otherwise than by purchase, or by the duly authorized agent of such purchaser, manufacturer, or owner.

This section is based upon and is intended to take the place of sections 2838 and 2853 of the Revised Statutes. It requires the invoice to be made out, in the case of purchase, in the currency actually paid for the merchandise, but in case the merchandise is obtained otherwise than by purchase the invoice must be made out in the currency of the country from whence the merchandise is exported. The invoice should in all cases reflect the actual transaction, and this object is sought to be accomplished by the proposed changes.

Another change proposed is that the invoice shall contain an accurate description of the merchandise. This seems to be contemplated

by existing laws, but there is no such specific requirement in the statutes. Consequently invoices are frequently presented at the custom-house which do not contain a true and accurate description of the merchandise, thereby affording opportunities for evasion, resulting in disputes and difficulties in the administration of the customs laws. It is as important that the invoice should describe accurately the merchandise, its character, etc., as that it shall contain a true statement of its value.

The sections of the Revised Statutes referred to are as follows:

[Revised Statutes, sec. 2838.]

SEC. 2838. All invoices of merchandise subject to a duty ad valorem shall be made out in the currency of the place or country from whence the importation shall be made, and shall contain a true statement of the actual cost of such merchandise, in such foreign currency or currencies, without any respect to the value of the coins of the United States, or of foreign coins, by law made current within the United States, in such foreign place or country. (Page 548.)

[Revised Statutes, sec. 2853.]

SEC. 2853. All invoices of merchandise imported from any foreign country shall be made in triplicate, and signed by the person owning or shipping such merchandise, if the same has actually been purchased, or by the manufacturer or owner thereof, if the same has been procured otherwise than by purchase, or by the duly authorized agent of such purchaser, manufacturer, or owner. (Page 552.)

Section 2 is as follows:

SEC. 2. That all such invoices shall, at or before the shipment of the merchandise, be produced to the consul, vice-consul, or commercial agent of the United States of the consular district from which the merchandise is exported to the United States, and shall have indorsed thereon, when so produced, a declaration signed by the purchaser, manufacturer, owner, or agent, setting forth that the invoice is in all respects correct and true, and was made at the place where the merchandise was originally procured for exportation to the United States; that it contains, if the merchandise was obtained by purchase, a true and full statement of the time when, the place where, the person from whom the same was purchased, and the actual cost thereof and of all charges thereon; and that no discounts, bounties, or drawbacks are contained in the invoice but such as have been actually allowed thereon; and when obtained in any other manner than by purchase, the actual market value or wholesale price thereof at the time of exportation to the United States in the principal markets of the country from whence exported; that such actual market value is the price at which the merchandise described in the invoice is freely offered for sale to all purchasers in said markets, and that it is the price which the manufacturer or owner making the declaration would have received, and was willing to receive, for such merchandise sold in the ordinary course of trade, and if subject to specific duty the actual quantity thereof; and that no different invoice of the merchandise mentioned in the invoice so produced has been or will be furnished to any one. If the merchandise was actually purchased, the declaration shall also contain a statement that the currency in which such invoice is made out is that which was actually paid for the merchandise by the purchaser.

This section is intended to take the place of section 2854 of the Revised Statutes, which is a substantial reproduction of a part of section 1 of the act of March 3, 1863. Section 2854 of the Revised Statutes is as follows:

[Revised Statutes, sec. 2854.]

SEC. 2854. All such invoices shall, at or before the shipment of the merchandise, be produced to the consul, vice-consul, or commercial agent of the United States nearest the place of shipment, for the use of the United States, and shall have indorsed thereon, when so produced, a declaration signed by the purchaser,

manufacturer, owner, or agent, setting forth that the invoice is in all respects true; that it contains, if the merchandise mentioned herein is subject to ad valorem duty, and was obtained by purchase, a true and full statement of the time when and the place where the same was purchased, and the actual cost thereof, and of all charges thereon; and that no discounts, bounties, or drawbacks are contained in the invoice but such as have actually been allowed thereon; and when obtained in any other manner than by purchase, the actual market value thereof at the time and place when and where the same was procured or manufactured; and, if subject to specific duty, the actual quantity thereof; and that no different invoice of the merchandise mentioned in the invoice so produced has been or will be furnished to any one. If the merchandise was actually purchased, the declaration shall also contain a statement that the currency in which such invoice is made out is the currency which was actually paid for the merchandise by the purchaser. (Page 552.)

The changes in this second section, as compared with the section of the Revised Statutes just quoted, are as follows:

First. That the authentication shall be made by the consular officer for the district from which the merchandise is imported instead of by the consular office nearest the place of shipment; the object being to have the invoice certified by the consular officer for the district in which the merchandise was originally procured, rather than by a consular officer at a point where the merchandise might happen to be placed on shipboard for exportation to the United States, who might have no knowledge of the true value of the merchandise in the place where it was actually obtained.

Second. That the statement with respect to the actual cost of the merchandise and the charges thereon shall apply to all goods, whether subject to ad valorem duties or otherwise, for the reason that the question of classification of the merchandise by the collector may involve both ad valorem and specific rates of duty, and must be determined by the customs officers after entry and examination of the merchandise in the United States, and can not be primarily determined by the shipper in the foreign country. Nor is it a matter for decision by the consular officer located in the foreign country.

Third. That the invoice shall state the person from whom the merchandise was purchased, in addition to other particulars now required by law, the object being to enable the consul to verify the transaction if necessary, and to afford customs officers the means for tracing the transaction in cases of disputes as to value, or for forfeiture.

Fourth. That when the merchandise is obtained otherwise than by actual purchase the invoice shall state the actual market value or wholesale price thereof at the time of exportation to the United States in the principal markets of the country from whence exported, instead of as now provided by section 2854—"the time and place, when and where the same was procured or manufactured." This change is necessary to conform the declaration of the shipper to the basis for appraisement; sections 2904, 2905, and 2906 now requiring that the dutiable value shall in all cases be the actual market or wholesale price of the merchandise at the time of exportation in the principal markets of the country from whence exported to the United States. This latter basis for appraisement is preserved in the proposed bill, but being inconsistent with section 2854, as quoted above, the change proposed is necessary.

Fifth. That the shipper shall state further that such market value is the price at which the merchandise described in the invoice is freely offered for sale to all purchasers in said market, and is the price which the manufacturer or owner making the declaration would have

received, and was willing to receive, for such merchandise, if sold in the ordinary course of trade. This is substantially the definition of market value, as decided by the courts. (See 1 Benedict, 241; 2 Benedict, 249; 3 Benedict, 537; 3 Wallace, 114.)

It is deemed wise to embody this legal definition in the statutory law so that the importer, having before him in the statutes a clear definition of market value, may be protected from the invoicing of merchandise at fictitious values. The adoption of this section would operate as a repeal of section 2854.

Section 3 is as follows:

SEC. 3. That, except in the case of personal effects accompanying the passenger, no importation of any merchandise exceeding one hundred dollars in dutiable value shall be admitted to entry without the production of a duly certified invoice thereof as required by law, or of an affidavit made by the owner, importer, or consignee before the collector or his deputy, showing why it is impracticable to produce such invoice; and no entry shall be made in the absence of a certified invoice, upon affidavit as aforesaid, unless such affidavit be accompanied by a statement in the form of an invoice, or otherwise, showing the actual cost of such merchandise, if purchased, or if obtained otherwise than by purchase, the actual market value or wholesale price thereof at the time of exportation to the United States, in the principal markets of the country from which the same has been imported; which statement shall be verified by the oath of the owner, importer, consignee, or agent desiring to make entry of the merchandise, to be administered by the collector or his deputy, and it shall be lawful for the collector or his deputy to examine the deponent under oath touching the sources of his knowledge, information, or belief in the premises, and to require him to produce any letter, paper, or statement of account, in his possession, or under his control, which may assist the officers of the customs in ascertaining the actual value of the importation or any part thereof; and in default of such production when so requested, such owner, importer, consignee, or agent shall be thereafter debarred from producing any such letter, paper, or statement, for the purpose of avoiding any additional duty, penalty, or forfeiture incurred under this act, unless he shall show to the satisfaction of the court or the officers of the customs, as the case may be, that it was not in his power to produce the same when so demanded; and no merchandise shall be admitted to entry under the provisions of this section unless the collector shall be satisfied that the failure to produce a duly-certified invoice is due to causes beyond the control of the owner, consignee, or agent thereof.

This section is intended as a substitute for sections 9, 10, and 11 of the act of June 22, 1874, known as the antimoiety act, which sections are as follows:

[Antimoiety Act, June 22, 1874.]

SEC. 9. That except in the case of personal effects accompanying the passenger, no importation exceeding one hundred dollars in dutiable value shall be admitted to entry without the production of a duly certified invoice thereof, as required by law, or of an affidavit made by the owner, importer, or consignee, before any officer authorized to administer oaths, showing why it is impracticable to produce such invoice.

SEC. 10. That no entry shall be made in the absence of a certified invoice, upon affidavit as aforesaid, unless such affidavit be accompanied by a statement, in the form of an invoice or otherwise, showing either the actual cost of the merchandise included in such importation, or, to the best of the knowledge, information, and belief of the deponent, the foreign market value thereof; which statement shall be verified by the owner, importer, consignee, or agent desiring to make entry of the merchandise, and which oath shall be administered by the collector or his deputy.

SEC. 11. That before such oath is taken it shall be lawful for the collector or deputy administering the same to question the deponent touching the sources of his knowledge, information, or belief in the premises, and to require him to make oath to the same, and to produce any letter or paper, in his possession or under his control, which may assist the officers of the customs in ascertaining the dutiable value of the importation or any part thereof; and in default of such production, when so requested, such owner, importer, consignee, and agent shall be thereafter debarred from producing any such letter or paper for the purpose

of avoiding any penalty or forfeiture incurred under this act, unless he shall show to the satisfaction of the court that it was not in his power to produce the same when so demanded. (Stats. at Large, vol. 18, p. 188.)

The first change proposed is that the affidavit required in section 9 shall be made before the collector or his deputy rather than "before any officer authorized to administer oaths," it being essential for the proper understanding of the facts in each case that the party interested shall personally appear before the collector, who is authorized by section 11, before an oath is taken, to question such person under oath touching his knowledge, information, and belief in the premises.

Another change proposed is an additional provision that no merchandise shall be admitted to entry on pro forma invoice unless the collector shall be satisfied that the failure to produce a duly-certified invoice is due to causes beyond the control of the owner, importer, agent, or consignee thereof. This provision is necessary for the reason that under the present law the collectors feel constrained to admit merchandise to entry upon pro forma invoices upon the mere affidavit of the party that the certified invoice had not been received. The purpose of the proposed section is to discourage the presentation of pro forma invoices, as of late they have grown quite too frequent and have been in many instances resorted to for fraudulent purposes.

Section 4 is as follows:

SEC. 4. That whenever merchandise imported into the United States is entered by invoice, one of the following declarations, according to the nature of the case, shall be filed with the collector of the port, at the time of entry, by the owner, importer, consignee, or agent; which declaration so filed shall be duly signed by the owner, importer, consignee, or agent, before the collector, or before a notary public or other officer duly authorized by law to administer oaths and take acknowledgments, who may be designated by the Secretary of the Treasury to receive such declarations and to certify to the identity of the persons making them; and every officer so designated shall file with the collector of the port a copy of his official signature and seal: *Provided*, That if any of the invoices or bills of lading of any merchandise imported in any one vessel, which should otherwise be embraced in said entry, have not been received at the date of the entry, the declaration may state the fact, and thereupon such merchandise of which the invoices or bills of lading are not produced shall not be included in such entry, but may be entered subsequently.

DECLARATION OF CONSIGNEE, IMPORTER, OR AGENT.

I, ———, do solemnly and truly declare that the invoice and bill of lading now presented by me to the collector of ——— are the true and only invoice and bill of lading by me received of all the goods, wares, and merchandise imported in the ———, whereof ——— is master, from ———, for account of any person whomsoever for whom I am authorized to enter the same; that the said invoice and bill of lading are in the state in which they were actually received by me, and that I do not know nor believe in the existence of any other invoice or bill of lading of the said goods, wares, and merchandise; that the entry now delivered to the collector contains a just and true account of the said goods, wares, and merchandise, according to the said invoice and bill of lading; that nothing has been, on my part, nor to my knowledge on the part of any other person, concealed or suppressed, whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration therein are in all respects true, and were made by the person by whom the same purports to have been made; and that if at any time hereafter I discover any error in the said invoice, or in the account now rendered of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. And I do further solemnly and truly declare that to the best of my knowledge and belief [insert the name and residence of the owner or owners] is [or are] the owner [or owners] of the goods, wares, and merchandise mentioned in the annexed entry;

that the invoice now produced by me exhibits the actual cost [if purchased] or the actual market value or wholesale price [if otherwise obtained] at the time of exportation to the United States in the principal markets of the country from whence imported, of the said goods, wares, and merchandise, including the value of all cartons, cases, crates, boxes, sacks, and coverings of any kind, and all other costs, charges, and expenses incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other or different discount, bounty, or drawback but such as has been actually allowed on the same.

DECLARATION OF OWNER IN CASES WHERE MERCHANDISE HAS BEEN ACTUALLY PURCHASED.

I, ———, do solemnly and truly declare that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me, in the ———, whereof ——— is master, from ———; that the invoice and entry which I now produce contain a just and faithful account of the actual cost of the said goods, wares, and merchandise, including the value of all cartons, cases, crates, boxes, sacks, and coverings of any kind, and all other costs, charges, and expenses incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other discount, drawback, or bounty but such as has been actually allowed on the same; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I further solemnly and truly declare that I have not in the said entry or invoice concealed or suppressed any thing whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; and that if at any time hereafter I discover any error in the said invoice or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

DECLARATION OF MANUFACTURER OR OWNER IN CASES WHERE MERCHANDISE HAS NOT BEEN ACTUALLY PURCHASED.

I, ———, do solemnly and truly declare that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me in the ———, whereof ——— is master, from ———; that the said goods, wares, and merchandise were not actually bought by me, or by my agent, in the ordinary mode of bargain and sale, but that nevertheless the invoice which I now produce contains a just and faithful valuation of the same, at their actual market value or wholesale price at the time of exportation to the United States in the principal markets of the country from whence imported for my account [or for account of myself and partners]; that the said invoice contains also a just and faithful account of all the cost of finishing said goods, wares, and merchandise to their present condition, including the value of all cartons, cases, crates, boxes, sacks, and coverings of any kind, and all other costs and charges incident to placing said goods, wares, and merchandise in condition, packed ready for shipment to the United States, and no other discount, drawback, or bounty but such as has been actually allowed on the said goods, wares, and merchandise; and the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I do further solemnly and truly declare that I have not, in the said entry or invoice, concealed or suppressed any thing whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; and that if at any time hereafter I discover any error in the said invoice or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

The foregoing section in a substitute for section 8 of the tariff act of March 3, 1883, which is as follows:

[Tariff act, Mar. 3, 1883.]

SEC. 8. That section twenty-eight hundred and forty-one of the Revised Statutes of the United States is hereby amended, and shall on and after the first day of July, eighteen hundred and eighty-three, be as follows:

SEC. 2841. Whenever merchandise imported into the United States is entered by invoice, one of the following oaths, according to the nature of the case, shall be administered by the collector of the port, at the time of entry, to the owner, importer, consignee, or agent: *Provided*, That if any of the invoices or bills of lading of any merchandise imported in said vessel, which should otherwise be embraced in said entry, have not been received at the date of entry the affidavit may state the fact, and thereupon such merchandise of which the invoices or bills of lading are not produced shall not be included in such entry, but may be entered subsequently.

OATH OF CONSIGNEE, IMPORTER, OR AGENT.

I, ———, do solemnly and truly swear [or affirm] that the invoice and bill of lading now presented by me to the collector of ——— are the true and only invoice and bill of lading by me received of goods, wares, and merchandise imported in the ———, whereof ——— is master, from ———, for account of any person whomsoever for whom I am authorized to enter the same; that the said invoice and bill of lading are in the state in which they were actually received by me, and that I do not know nor believe in the existence of any other invoice or bill of lading of the said goods, wares, and merchandise; that the entry now delivered to the collector contains a just and true account of the said goods, wares, and merchandise, according to the said invoice and bill of lading; that nothing has been, on my part, nor to my knowledge on the part of any other person, concealed or suppressed, whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration therein are in all respects true, and were made by the person by whom the same purports to have been made; and that if, at any time hereafter, I discover any error in the said invoice or in the account now rendered of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. And I do further solemnly and truly swear [or affirm] that to the best of my knowledge and belief [insert the name and residence of the owner or owners] is [or are] the owner [or owners] of the goods, wares, and merchandise mentioned in the annexed entry; that the invoice now produced by me exhibits the actual cost [if purchased] or fair market value [if otherwise obtained] at the time or times and place or places when or where procured [as the case may be], of the said goods, wares, and merchandise, including all cost for finishing said goods, wares, and merchandise to their present condition, and no other or different discount, bounty, or drawback but such as has been actually allowed on the same.

OATH OF OWNER IN CASES WHERE MERCHANDISE HAS BEEN ACTUALLY PURCHASED.

I, ———, do solemnly swear (or affirm) that the entry now delivered by me to the collector of ——— contains a just and true account of the goods, wares, and merchandise imported by or consigned to me in the ———, whereof ——— is master ———; that the invoice which I now produce contains a just and faithful account of the actual cost of the said goods, wares, and merchandise, including all cost of finishing said goods, wares, and merchandise to their present condition, and no other discount, drawback, or bounty but such as has been actually allowed on the same; that I do not know or believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I further solemnly and truly swear (or affirm) that I have not in the said entry or invoice concealed or suppressed any thing whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made, and that if at any time hereafter I discover any error in the said invoice or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

OATH OF MANUFACTURER OR OWNER IN CASES WHERE MERCHANDISE HAS NOT BEEN
ACTUALLY PURCHASED.

I, _____, do solemnly and truly swear (or affirm) that the entry now delivered by me to the collector of _____ contains a just and true account of the goods, wares, and merchandise imported by or consigned to me in the _____, whereof _____ is master, from _____; that the said goods, wares, and merchandise were not actually bought by me, or by my agent, in the ordinary mode of bargain and sale, but that, nevertheless, the invoice which I now produce contains a just and faithful valuation of the same, at their fair market value, at the time or times and place or places when and where procured for my account (or for account of myself and partners); that the said invoice contains also a just and faithful account of all the cost for finishing said goods, wares, and merchandise to their present condition, and no other discount, drawback, or bounty but such as has been actually allowed on the said goods, wares, and merchandise; that the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I do further solemnly and truly swear (or affirm) that I have not in said entry or invoice concealed or suppressed anything whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise, and that if at any time hereafter I discover any error in the said invoice, or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. (Stats. L., vol. 22, p. 523.)

Section 8 was derived from section 2481 of the Revised Statutes and previous laws prescribing the forms of oaths on entry.

The essential changes proposed are:

The substitution of declarations to be made before the collector, or before a notary or other officer authorized to administer oaths who may be designated by the Secretary of the Treasury, in place of the oaths now required to be made before the collector only. This change will result in convenience to importers without impairing the rights or interests of the Government. It also makes the declaration conform to the provisions of this bill with respect to dutiable value on imported merchandise.

Section 5 is as follows:

SEC. 5. That any person who shall knowingly make any false or untrue statement in the declarations provided for in the preceding section, or shall aid or procure the making of any such false statement as to any matter material thereto, shall, on conviction thereof, be punished by a fine not exceeding five thousand dollars, or by imprisonment at hard labor not more than two years, or both, in the discretion of the court: *Provided*, That nothing in this section shall be construed to relieve imported merchandise from forfeiture for any cause elsewhere provided by law.

This is new legislation, and intended to provide suitable penalties for false statements in the declarations prescribed by section 4.

Section 6 is as follows:

SEC. 6. That the owner, consignee, or agent of any imported merchandise which has been actually purchased, may, at the time when he shall make and verify his written entry of such merchandise, but not afterwards, make such addition in the entry to the cost or value given in the invoice, or pro forma invoice, or statement in form of an invoice, which he shall produce with his entry, as in his opinion may raise the same to the actual market value or wholesale price of such merchandise at the time of exportation to the United States, in the principal markets of the country from which the same has been imported; but no such addition shall be made upon entry to the invoice value of any imported merchandise obtained otherwise than by actual purchase; and the col-

lector within whose district any merchandise may be imported or entered, whether the same has been actually purchased or procured otherwise than by purchase, shall cause the actual market value or wholesale price of such merchandise to be appraised: and if the appraised value of any article of imported merchandise shall exceed by more than five per centum, and not more than twenty per centum, the value declared in the entry, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, a further sum equal to two per centum of the total appraised value for each one per centum of the increased valuation as ascertained by the appraiser in excess of five per centum above the entered value, and the additional duties shall only apply to the particular article or articles in such invoice which are undervalued; and if such appraised value shall exceed the value declared in the entry more than twenty per centum, such entry shall be held to be presumptively fraudulent, and the collector of customs shall seize such merchandise and proceed as in cases of forfeiture for violations of the customs laws; and in any legal proceedings which may result from such seizure the fact of such undervaluation shall be presumptive evidence of fraud, and the burden of proof shall be on the claimant to rebut the same, and forfeiture shall be adjudged unless he shall rebut said presumption of fraudulent intent by sufficient evidence: *Provided*, That the forfeitures provided for in this section shall apply to the whole of the merchandise or the value thereof in the case or package containing the particular article or articles in each invoice which are undervalued: *And provided further*, That all additional duties, penalties, or forfeitures applicable to merchandise entered by a duly certified invoice shall be alike applicable to goods entered by a pro forma invoice or statement in the form of an invoice. The duty shall not, however, be assessed upon an amount less than the invoice or entered value.

This section is a modification of section 2900 of the Revised Statutes, as derived from the eighth section of the tariff act of July 30, 1846 (9 Stats. at Large, p. 43), the act of March 3, 1857, (11 Stats. L., p. 199), and the twenty-third section of the tariff act of June 30, 1864 (13 Stats. L., pp. 216, 217), which are as follows:

[Act of July 30, 1846.]

SEC. 8. *And be it further enacted*, That it shall be lawful for the owner, consignee, or agent of imports which have been actually purchased, on entry of the same, to make such addition in the entry to the cost or value given in the invoice, as, in his opinion, may raise the same to the true market value of such imports in the principal markets of the country whence the importation shall have been made, or in which the goods imported shall have been originally manufactured or produced, as the case may be; and to add thereto all costs and charges, which, under existing laws, would form part of the true value at the port where the same may be entered, upon which the duties shall be assessed. And it shall be the duty of the collector, within whose district the same may be imported or entered, to cause the dutiable value of such imports to be appraised, estimated, and ascertained, in accordance with the provisions of existing laws: and if the appraised value thereof shall exceed by ten per centum or more the value so declared, on the entry, then, the addition to the duties imposed by law on the same, there shall be levied, collected, and paid a duty of twenty per centum ad valorem on such appraised value: *Provided, nevertheless*, That under no circumstances shall the duty be assessed upon an amount less than the invoice value, any law of Congress to the contrary notwithstanding. (9 Stats. L., p. 43.)

[Act of Mar. 3, 1857.]

SEC. 2. *And be it further enacted*, That it shall be lawful for the owner, consignee, or agent of imports which have been actually purchased or procured otherwise than by purchase, on entry of the same, to make such addition in the entry to the cost or value given in the invoice as, in his opinion, may raise the same to the true market value of such imports in the principal markets of the country whence the importation shall have been made; and to add thereto all costs and charges which, under existing laws, would form a part of the true value at the port where the same may be imported or entered, upon which the duties should be assessed. And it shall be the duty of the collector within whose district the same may be imported or entered to cause the dutiable value

of such imports to be appraised, estimated, and ascertained, in accordance with the provisions of existing laws; and if the appraised value thereof shall exceed, by ten per centum or more, the value so declared on the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected, and paid, a duty of twenty per centum ad valorem on such appraised value: *Provided, nevertheless,* That under no circumstances shall the duty be assessed upon an amount less than the invoice or entered value, any law of Congress to the contrary notwithstanding. (11 Stats. L., p. 199.)

[Act of June 30, 1864.]

SEC. 23. *And be it further enacted,* That, on and after the day and year this act shall take effect, it shall be lawful for the owner, consignee or agent of any goods, wares or merchandise which shall have been actually purchased or procured otherwise than by purchase, at the time when he shall produce his original invoice, or invoices, to the collector, and make and verify his written entry of his goods, wares, and merchandise, as provided by section thirty-six of the act of March 2, seventeen hundred and ninety-nine, entitled "An act to regulate the collection of duties on imports and tonnage," and not afterwards, to make such addition in the entry to the cost or value given in the invoice, as, in his opinion, may raise the same to the true market value of such goods, wares, and merchandise in the principal markets of the country whence they shall have been imported, and to add thereto all costs and charges which, under existing laws, would form a part of the true value at the port where the same may be entered, upon which the duties should be assessed. And it shall be the duty of the collector, within whose district the same may be imported or entered, to cause the dutiable value of such goods, wares, and merchandise, to be appraised, estimated and ascertained, in accordance with the provisions of existing laws. And if the appraised value thereof shall exceed, by ten per centum, or more, the value so declared on the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected and paid a duty of twenty per centum ad valorem on such appraised value: *Provided,* That the duty shall not be assessed upon an amount less than the invoice or entered value, any law of Congress to the contrary notwithstanding: *And provided further,* That on and after the day and year aforesaid, the eighth section of the act entitled "An act reducing the duty on imports, and for other purposes," approved July thirty, eighteen hundred and forty-six, and the act amendatory thereof, approved March three, eighteen hundred and fifty-seven, be, and the same are hereby, repealed. (13 Stats. L., p. 216-17.)

[Revised Statutes, sec. 2900.]

SEC. 2900. The owner, consignee, or agent of any merchandise which has been actually purchased, or procured otherwise than by purchase, at the time, and not afterward, when he shall produce his original invoice to the collector and make and verify his written entry of his merchandise, may make such addition in the entry to the cost or value given in the invoice as in his opinion may raise the same to the actual market value or wholesale price of such merchandise at the period of exportation to the United States in the principal markets of the country from which the same has been imported; and the collector within whose district the same may be imported or entered may cause such actual market value or wholesale price to be appraised; and if such appraised value shall exceed by ten per centum or more the value so declared in the entry, then, in addition to the duties imposed by law on the same, there shall be collected a duty of twenty per centum ad valorem on such appraised value. The duty shall not, however, be assessed upon an amount less than the invoice or entered value. (Page 562.)

The eighth section of the tariff act of 1846 is the first statute authorizing additions upon entry to the invoice value. This section authorized such additions to be made only upon merchandise obtained by actual purchase, and the additional 20 per cent duty applied to such merchandise, and did not apply to merchandise obtained otherwise than by purchase; so that under it goods obtained in the latter way were exempt from these penalties for undervaluation. The manifest injustice of this provision making the penalty apply only to purchased goods led to its modification by the act of March 3,

1857, making it apply also to merchandise procured otherwise than by purchase. Had the act of 1846 provided for the additional penalty of 20 per centum in cases of undervaluation of merchandise procured otherwise than by purchase, it is not probable that the law of 1857 would have been passed. As in cases of purchase of merchandise it often happens that the contract is made in advance of manufacture abroad, and at a price less than the actual market value at the time of exportation, the purchaser being required to state the actual cost, in aid of the appraisers in ascertaining market value, there is a manifest reason why he should at the time of entry be allowed to make such additions in the entry to the cost as in his opinion would raise the same to the actual market value or wholesale price at the time of exportation. These reasons do not apply to goods obtained otherwise than by purchase, because the owner, consignee, or agent, at the time of exportation, knows the actual market value at the time, and should state it in the invoice and be bound by it.

The first change in this section confines the right to make additions on entry to actual purchases.

The statutes now provide that if the market value as ascertained by the appraiser shall exceed by more than 10 per cent the entered value, then an additional duty of 20 per centum shall be charged on the total appraised value. The proposed section provides that if the appraised value shall exceed more than 5 per centum and not more than 20 per centum the value declared in the entry, there shall be levied a further sum equal to 2 per cent of the total appraised value for each 1 per centum of the increase, and if the appraised value shall exceed the declared value more than 20 per cent, the entry shall be held to be presumptively fraudulent.

Prior to the passage of the act of 1874, in all cases where the appraised value exceeded the entered value by 20 per cent proceedings of forfeiture were commenced on the ground that the entry was presumptively fraudulent; but after the passage of that act, under the sixteenth section, the Government in every case was required to prove fraudulent intent, which was practically impossible, and therefore since its passage no seizures have been made, even upon such excess of appraisal over entered value. It is proposed by this section to make the penalty proportionate to the undervaluation, and to make it applicable to invoices advanced 5 per cent and over, instead of 10 per cent and over as under the present law, the object being to prevent the present habitual practice of undervaluing, so as to get the invoice through the appraiser at an advance of just under 10 per cent and thus escape the statutory penalty of 20 per cent additional duty. It is assumed that a variance of more than 5 per cent between the entered value and the actual value as ascertained by the appraiser could not occur except through the fault or negligence of the importer. It is also assumed that a variance of more than 20 per cent could not result from mere negligence, and should carry with it the presumption of an intention to defraud the revenue.

This section, in connection with section 17 of this bill, practically revives section 909 of the Revised Statutes, which provides that—

In suits or informations brought, where any seizure is made pursuant to any act providing for or regulating the collection of duties on imports or tonnage, if the property is claimed by any person, the burden of proof shall lie upon

such claimant: *Provided*, That probable cause is shown for such prosecution, to be judged of by the court.

This section of the Revised Statutes was repealed by the sixteenth section of the act of June 22, 1874, which requires the Government to prove affirmatively intentional fraud on the part of the importer, a requirement which has made forfeitures for even the most flagrant undervaluation impossible, thus rendering difficult, and in many cases futile, all efforts to protect the revenues of the Government and at the same time the honest importer who makes a true invoice.

It is also intended by this section to make the penalty for undervaluing apply to merchandise entered by pro forma invoice as well as to that entered by certified invoice, it having been decided by the Attorney-General that no penalty can be imposed under section 2900 where pro forma invoices only are used, as by that section the penalty is limited to certified invoices. This decision of the Attorney-General gave rise to a vicious practice of making entry by undervalued pro forma invoices in order to evade the penalty.

It is provided further in the proposed section that the additional duties shall only apply to the particular article or articles in each invoice which are undervalued, and that the forfeiture shall apply to all the merchandise in the case or package containing the particular article or articles of merchandise in each invoice which are undervalued.

Section 7 is as follows:

SEC. 7. That when merchandise entered for customs duty has been consigned for sale by or on account of the manufacturer thereof, to a person, agent, partner, or consignee in the United States, such person, agent, partner, or consignee shall, at the time of the entry of such merchandise, present to the collector of customs at the port where such entry is made, as a part of such entry, and in addition to the certified invoice or statement in the form of an invoice required by law, a statement signed by such manufacturer, declaring the cost of production of such merchandise, such cost to include all the elements of cost as stated in section ten of this act. When merchandise entered for customs duty has been consigned for sale by or on account of a person other than the manufacturer of such merchandise, to a person, agent, partner, or consignee in the United States, such person, agent, partner, or consignee shall at the time of the entry of such merchandise present to the collector of customs at the port where such entry is made, as a part of such entry, a statement signed by the consignor thereof, declaring that the merchandise was actually purchased by him or for his account, and showing the time when, the place where, and from whom he purchased the merchandise, and in detail the price he paid for the same: *Provided*, That the statements required by this section shall be made in triplicate, and shall bear the attestation of the consular officer of the United States resident within the consular district wherein the merchandise was manufactured, if consigned by the manufacturer or for his account, or from whence it was imported, when consigned by a person other than the manufacturer, one copy thereof to be delivered to the person making the statement, one copy to be transmitted with the triplicate invoice of the merchandise to the collector of the port in the United States to which the merchandise is consigned, and the remaining copy to be filed in the consulate.

This section is intended to furnish the appraising officers with needful information, additional to the means now provided by law, to assist them in ascertaining the dutiable value of goods consigned to the United States for sale by manufacturers in other countries, or those who may have purchased from manufacturers and consigned the merchandise to agents in this country for sale. It is difficult for the appraisers in many cases, with all the sources of information at their command, to ascertain the actual market value of merchandise thus consigned.

Section 8 is as follows:

SEC. 8. That if any owner, importer, consignee, agent, or other person shall make or attempt to make any entry of imported merchandise by means of any fraudulent or false invoice, affidavit, letter, paper, or by means of any false statement, written or verbal, or by means of any false or fraudulent practice or appliance whatsoever, or shall be guilty of any willful act or omission by means whereof the United States shall be deprived of the lawful duties, or any portion thereof, accruing upon the merchandise or any portion thereof, embraced or referred to in such invoice, affidavit, letter, paper, or statement, or affected by such act or omission, such merchandise, or the value thereof, to be recovered from the person making the entry, shall be forfeited, which forfeiture shall only apply to the whole of the merchandise or the value thereof in the case or package containing the particular article or articles of merchandise to which such fraud or false paper or statement relates; and such person shall, upon conviction, be fined for each offense a sum not exceeding five thousand dollars, or be imprisoned for a time not exceeding two years, or both, in the discretion of the court.

And is intended to take the place of the following section of the act of June 22, 1874:

[Antimolesty act, June 22, 1874.]

SEC. 12. That any owner, importer, consignee, agent, or other person who shall, with intent to defraud the revenue, make or attempt to make, any entry of imported merchandise, by means of any fraudulent or false invoice, affidavit, letter, or paper, or by means of any false statement, written or verbal, or who shall be guilty of any willful act or omission by means whereof the United States shall be deprived of the lawful duties, or any portion thereof, accruing upon the merchandise, or any portion thereof, embraced or referred to in such invoice, affidavit, letter, paper, or statement, or affected by such act or omission, shall, for each offense, be fined in any sum not exceeding five thousand dollars, nor less than fifty dollars, or be imprisoned for any time not exceeding two years, or both; and in addition to such fine, such merchandise shall be forfeited; which forfeiture shall only apply to the whole of the merchandise in the case or package containing the particular article or articles of merchandise to which such fraud or alleged fraud relates; and anything contained in any act which provides for the forfeiture or confiscation of an entire invoice in consequence of any item or items contained in the same being undervalued, be, and the same is, hereby repealed. (18 Stat., p. 188.)

By the first section of the act of March 3, 1863 (12 Stat., p. 738), reproduced substantially in section 2864 of the Revised Statutes, in case of attempted fraud, not only the merchandise but its value was forfeited to the United States. The courts have held that section 2864 was repealed by section 12 of the above-quoted act. Under this section merchandise fraudulently imported is liable to forfeiture if seized, but if the importer can succeed in getting his merchandise through the custom-house and into his own possession, he escapes the penalty of forfeiture, because the merchandise only is subject to forfeiture, and having passed into consumption or beyond identification, the Government has no remedy, no matter how flagrant the fraud may be. The proposed section is to cure this defect, and in cases of fraud to permit the recovery of the value, in case the merchandise has passed into consumption or beyond the reach of the Government.

The laws referred to are as follows:

[Act of Mar. 3, 1863.]

* * And if any such owner, consignee, or agent, of any goods, wares, or merchandise, shall knowingly make, or attempt to make, an entry thereof by means of any false invoice, or false certificate of a consul, vice-consul, or commercial agent, or of any invoice which shall not contain a true statement of all the particulars hereinbefore required, or by means of any other false or fraudulent document or paper, or of any other false or fraudulent practice or

appliance whatsoever, said goods, wares, and merchandise, or their value, shall be forfeited and disposed of as other forfeitures for violation of the revenue laws. (12 Stats. L., p. 737.)

[Revised Statutes, sec. 2864.]

SEC. 2864. If any owner, consignee, or agent of any merchandise shall knowingly make, or attempt to make, an entry thereof by means of any false invoice, or false certificate of a consul, vice-consul, or commercial agent, or of any invoice which does not contain a true statement of all the particulars hereinbefore required, or by means of any other false or fraudulent document or paper, or of any other false or fraudulent practice or appliance whatsoever, such merchandise, or the value thereof, shall be forfeited. (Page 554.)

Section 9 is as follows:

SEC. 9. That it shall be the duty of the appraisers of the United States, and every of them, and every person who shall act as such appraiser, or of the collector and naval officer as the case may be, by all reasonable ways and means in his or their power, to ascertain, estimate, and appraise (any invoice or affidavit thereto or statement of cost, or of cost of production to the contrary notwithstanding) the actual market value and wholesale price of the merchandise at the time of exportation to the United States, in the principal markets of the country whence the same has been imported, and the number of yards, parcels, or quantities, and actual market value or wholesale price of every of them, as the case may require.

and is a substantial reproduction of section 2902, Revised Statutes, which is as follows:

[Revised Statutes, sec. 2902.]

SEC. 2902. It shall be the duty of the appraisers of the United States, and every of them, and every person who shall act as such appraiser, or of the collector and naval officer, as the case may be, by all reasonable ways and means in his or their power, to ascertain, estimate, and appraise the true and actual market value and wholesale price, any invoice or affidavit thereto to the contrary notwithstanding, of the merchandise, at the time of exportation, and in the principal markets of the country whence the same has been imported into the United States, and the number of such yards, parcels, or quantities, and such actual market value or wholesale price of every of them, as the case may require. All such merchandise, being manufactured of wool, or whereof wool shall be a component part, which shall be imported into the United States, in an unfinished condition, shall, in every such appraisal, be estimated to have been at the time of exportation, and place whence the same was imported into the United States, of as great value as if the same had been entirely finished. (Page 563.)

except that the words "or statement of cost, or of cost of production" have been inserted so as to harmonize it with other provisions of this bill. The proviso in section 2902 is omitted, being inoperative, because inconsistent with the provisions in Schedule K of the act of March 3, 1883.

Section 10 is as follows:

SEC. 10. That when the actual market value, as herein defined, of any article of imported merchandise wholly or partially manufactured and subject to ad valorem duty, or to duty based in whole or in part on value, can not be ascertained to the satisfaction of the appraising officer, and to assist in the ascertainment of such value, the appraiser or appraisers shall use all available means to ascertain the cost of production of such merchandise at the time of exportation to the United States, and at the place of manufacture; such cost of production to include cost of materials and of fabrication, all general expenses covering each and every outlay of whatsoever nature incident to such production, together with the expense of preparing and putting up such merchandise ready for shipment, and a profit of not less than five per centum upon the total cost as thus ascertained; and in no such case shall the said actual market value of such merchandise be appraised upon original appraisal or reappraisal at less than the total cost of production, as thus ascertained.

This is intended as a substitute for the ninth section of the act of March 3, 1883, which is as follows:

[Tariff Act, Mar. 3, 1883.]

SEC. 9. If upon the appraisal of imported goods, wares, and merchandise it shall appear that the true and actual market value and wholesale price thereof, as provided by law, can not be ascertained to the satisfaction of the appraiser, whether because such goods, wares, and merchandise be consigned for sale by the manufacturer abroad to his agent in the United States, or for any other reason, it shall then be lawful to appraise the same by ascertaining the cost or value of the materials composing such merchandise, at the time and place of manufacture, together with the expense of manufacturing, preparing, and putting up such merchandise for shipment, and in no case shall the value of such goods, wares, and merchandise be appraised at less than the total cost or value thus ascertained. (22 Stats. L., p. 525.)

It will be seen that the purpose of this section is to define more particularly the elements of cost to be considered by the appraisers when the actual market value can not otherwise be ascertained to their satisfaction.

Sections 11, 12, 13, and 14 propose new methods for ascertainment of value of imported merchandise and also for its classification, and substitute new methods of appeal.

Section 11, the first step in this procedure, is as follows:

SEC. 11. That there shall be appointed by the President, by and with the advice and consent of the Senate, nine general appraisers of merchandise, each of whom shall receive a salary of five thousand dollars a year. Not more than five of such general appraisers shall be appointed from the same political party. They shall not be engaged in any other business, vocation, or employment, and may be removed from office at any time by the President for inefficiency, neglect of duty, or malfeasance in office. They shall be employed at such ports and within such territorial limits as the Secretary of the Treasury may from time to time prescribe, and are hereby authorized to exercise the powers and duties devolved upon them by this act and to exercise, under the general direction of the Secretary of the Treasury, such other supervision over appraisements, classifications, and rates of duty of imported merchandise as may be needful to secure lawful and uniform appraisements, classifications, and rates of duty at the several ports. Three of the general appraisers shall be on duty as a board of general appraisers daily during each day of the year (except Sunday and legal holidays), at least from ten o'clock in the morning until four o'clock in the afternoon, at the port of New York, at which port a place for samples shall be provided, under such rules and regulations as the Secretary of the Treasury may from time to time prescribe, which shall include rules as to the classes of articles to be deposited, the time of their retention, and as to their disposition, which place of samples shall be under the immediate control and direction of the general appraisers.

This section provides for the appointment of nine general appraisers of merchandise with a salary of \$5,000 a year, and, although their expenses are not specifically provided for, it is understood that such expenses while they are on duty can and will be paid from the permanent appropriation for collecting the revenue from customs. It is intended that these general appraisers shall be men of the highest character and expert in their duties, and that not more than five of them shall be appointed from the same political party, so that they shall be selected without respect to party distinctions or considerations. They are required by the section to be engaged in no other business or employment. Their duties are prescribed in a general way by this section and more particularly in the two succeeding sections, so that, under the direction of the Secretary of the Treasury, they are to supervise appraisements and classifications of imported

merchandise in order to secure lawful and uniform appraisements and classifications at the several ports. To aid them in their work of securing such uniformity, the section requires that a place of samples shall be provided at the port of New York, which shall be under the direction of the general appraisers here. It also provides that three of these appraisers shall constitute a board of general appraisers to be constantly on duty at the port of New York. These general appraisers are to take the place of the four appraisers appointed under section 3 of the act of March 3, 1851 (vol. 9, Stats., page 630), and now embodied in section 2608 of the Revised Statutes, as follows:

[Act of Mar. 3, 1851.]

SEC. 3. *And be it further enacted*, That there shall be appointed by the President of the United States, by and with the advice and consent of the Senate, four appraisers of merchandise, to be allowed an annual salary each of two thousand five hundred dollars, together with their actual traveling expenses, to be regulated by the Secretary of the Treasury, who shall be employed in visiting such ports of entry in the United States under the direction of the said Secretary, as may be deemed useful by him for the security of the revenue, and shall at such ports afford such aid and assistance in the appraisement of merchandise thereat as may be deemed necessary by the Secretary of the Treasury to protect and insure uniformity in the collection of the revenue from customs; and wherever practicable, in cases of appeal from the decision of the United States appraisers, under the provisions of the seventeenth section of the tariff act of thirtieth August, eighteen hundred and forty-two, the collector shall select one discreet and experienced merchant to be associated with one of the appraisers appointed under the provisions of this act, who together shall appraise the goods in question; and if they shall disagree, the collector shall decide between them; and the appraisement thus determined shall be final, and deemed and taken to be the true value of said goods, and the duties shall be levied thereon accordingly, any act of Congress to the contrary notwithstanding. (Vol. 9, Stat. L., page 630.)

[Revised Statutes, sec. 2608.]

SEC. 2608. There shall be appointed by the President, by and with the advice and consent of the Senate, four appraisers of merchandise, who shall be employed in visiting such ports of entry in the United States, under the direction of the Secretary, as may be deemed useful by him for the security of the revenue, and shall at such ports afford such aid and assistance in the appraisement of merchandise thereat as may be deemed necessary by the Secretary of the Treasury to protect and insure uniformity in the collection of the revenue from customs. (Page 515.)

Section 12 is as follows:

SEC. 12. That the appraiser shall revise and correct the reports of the assistant appraisers as he may judge proper, and the appraiser, or, at ports where there is no appraiser, the person acting as such shall report to the collector his decision as to the value of the merchandise appraised. If the collector shall deem the appraisement of the merchandise by such appraiser too low he may order a reappraisement, which shall be made by one of the general appraisers, or, if the importer, owner, agent, or consignee of such merchandise shall be dissatisfied with the appraisement thereof, and shall have complied with the requirements of law with respect to the entry and appraisement of merchandise, he may forthwith give notice to the collector, in writing, of such dissatisfaction, on the receipt of which the collector shall at once direct a reappraisement of such merchandise by one of the general appraisers. The decision of the appraisers, or the person acting as such (in cases where no objection is made thereto, as above authorized, either by the collector or by the importer, owner, consignee, or agent), or of the general appraiser in cases of reappraisement, shall be final and conclusive as to the dutiable value of such merchandise against all parties interested therein, unless the importer, owner, consignee, or agent of the merchandise shall be dissatisfied with such decision, and shall forthwith give notice to the collector in writing of such dissatisfaction, or unless

the collector shall deem the appraisement of the merchandise too low, in either case the collector shall transmit the invoice and all the papers appertaining thereto to the board of general appraisers who may be on duty at the port of New York, or of three general appraisers who may be designated by the Secretary of the Treasury for such duty at that port or at any other port, which board shall examine and decide the case thus submitted, and their decision, or that of a majority of them, shall be final and conclusive as to the dutiable value of such merchandise against all parties interested therein, and the collector shall ascertain, fix, and liquidate the rate and amount of duties to be paid on such merchandise, and the dutiable costs and charges thereon, according to law.

This section is intended as a substitute for sections 2929 and 2930 of the Revised Statutes:

[Revised Statutes, secs. 2929 and 2930.]

SEC. 2929. The principal appraisers shall revise and correct the report of the assistant appraisers as they may judge proper, and report to the collector their decision thereon. If the collector deems any appraisement of goods too low, he may order a reappraisement, either by the principal appraisers, or by three merchants designated by him for that purpose, who shall be citizens of the United States; and may cause the duties to be charged accordingly.

SEC. 2930. If the importer, owner, agent, or consignee of any merchandise shall be dissatisfied with the appraisement, and shall have complied with the foregoing requisitions, he may forthwith give notice to the collector, in writing, of such dissatisfaction; on the receipt of which the collector shall select one discreet and experienced merchant to be associated with one of the general appraisers wherever practicable, or two discreet and experienced merchants, citizens of the United States, familiar with the character and value of the goods in question, to examine and appraise the same, agreeably to the foregoing provisions; and if they shall disagree, the collector shall decide between them; and the appraisement thus determined shall be final and be deemed to be the true value, and the duties shall be levied thereon accordingly. (Pages 566 and 567.)

The important change proposed is the provision that all reappraisements shall hereafter be conducted by general appraisers instead of being participated in by persons selected for that purpose by the collector, and relieving the collector from the duty now imposed on him of deciding between the merchant-appraiser and the general appraiser in case of disagreement.

An examination of the statutes relating to the appraisement of imported merchandise shows that under the act of March 2, 1799 (vol. 1, Stat. L., p. 666), appraisements were made only in cases where the merchandise was not accompanied by the original invoice, or where the collector suspected that the invoice did not represent the true foreign value. In such cases the collector caused the value to be ascertained by two merchants, one selected by himself and the other by the importer. By the ninth section of the act of April 20, 1818 (vol. 3, Stat. L., p. 435), two appraisers were authorized to be appointed at the principal ports of entry, who, in conjunction with two merchants to be selected by the importer, were to appraise such merchandise as the collector might direct, and at other ports two respectable resident merchants were to be selected by the collector and one by the party in interest, who should make such appraisement.

The sixteenth section of the act of March 1, 1823, provided that at these particular ports the two official appraisers should, in the first instance, make the appraisement, and if the importer was dissatisfied, under section 18 he could call in at his own expense two reputable resident merchants, the four constituting a board. In case they disagreed the collector decided; and if the importer was still dissatisfied

he could appeal to the Secretary, whose decision was final. The sections referred to are as follows:

[Act of Mar. 1, 1823.]

SEC. 52. *And be it further enacted*, That all goods, wares, and merchandise, of which entry shall have been made incomplete, or without the specification of particulars, either for want of the original invoice or invoices, or for any other cause, or which shall have received damage during the voyage, to be ascertained by the proper officers of the port or district in which the said goods, wares, or merchandise shall arrive, shall be conveyed to some warehouse or storehouse, to be designated by the collector, in the parcels or packages containing the same, there to remain with due and reasonable care, at the expense and risk of the owner, or consignee, under the care of some proper officer, until the particulars, cost, or value, as the case may require, shall have been ascertained either by the exhibition of the original invoice or invoices thereof, or by appraisement, at the option of the owner, importer, or consignee, in manner hereafter provided, and until the duties thereon shall have been paid, or secured to be paid, and a permit granted by the collector for the delivery thereof. And for the appraisement of goods, wares, and merchandise, not accompanied with the original invoice of their cost, or to ascertain the damage thereon received during the voyage, it shall be lawful for the collector, and upon request of the party, he is required to appoint one merchant, and the owner, importer, or consignee to appoint another, who shall appraise or value the said goods, wares, or merchandise accordingly, which appraisement shall be subscribed by the parties making the same, and be verified on oath or affirmation before the said collector; which oath or affirmation shall be in the form following, to wit:

[Here follows form of oath.]

And in respect to articles that have been damaged during the voyage, as aforesaid, whether subject to a duty ad valorem, or which are chargeable with a specific duty, either by number, weight, or measure, the appraisers as aforesaid shall in like manner ascertain and certify, to what rate or percentage the said goods, wares, or merchandise are damaged, and the rate or percentage of damage so ascertained and certified shall be deducted from the original amount, subject to a duty ad valorem, or from the actual or original number, weight, or measure on which specific duties would have been computed: *Provided*, That no allowance for the damage on any goods, wares, and merchandise that have been entered, and on which the duties have been paid or secured to be paid, and for which a permit has been granted to the owner or consignee thereof, and which may on examining the same prove to be damaged, shall be made, unless proof to ascertain such damage shall be lodged in the custom-house of the port or place where such goods, wares, or merchandise have been landed within ten days after the landing of such merchandise. And every person who shall be appointed to ascertain the damage during the voyage of any goods, wares, or merchandise shall take and subscribe an oath or affirmation in the following form, to wit:

[Here follows the oath.]

The act of April 20, 1818, is as follows:

[Act. of Apr. 20, 1818.]

SEC. 9. *And be it further enacted*, That, for the appraisement of goods, wares, or merchandise, required by this act, or by any other act concerning imports and tonnage, the President of the United States, by and with the advice and consent of the Senate, shall appoint, in each of the ports of Boston, New York, Philadelphia, Baltimore, Charleston, and New Orleans, two persons well qualified to perform that duty, on the part of the United States, who, before they enter thereon, shall severally make oath diligently and faithfully to inspect and examine such goods, wares, or merchandise, as the collector may direct, and truly to report, to the best of their knowledge and belief, the true value thereof when purchased, at the place or places from whence the same were imported; and when any appraisement is to be made in the said principal ports the two appraisers so appointed therein, together with a respectable resident merchant, chosen by the party in interest, and sworn in like manner to examine and report, shall make such appraisement, the said merchant having also made

oath that he has no direct or indirect interest in the case; but when any appraisement is to be made in ports other than those above named, two respectable resident merchants, selected by the collector, together with a respectable resident merchant, chosen by the party in interest, who shall have severally taken the oaths required by this section, shall be the appraisers: *Provided*, That in any case where the party in interest shall decline or neglect to choose a respectable resident merchant to join in such appraisement, the collector shall make the selection necessary to the due execution of this act, and the appraisement so made by them, or a majority of them, shall be valid and effectual in law; and the Secretary of the Treasury shall have authority to direct the appraisers for any collection district to attend in any other district for the purpose of appraising any goods, wares, or merchandise imported therein; and for such service they shall, respectively, receive at the rate of five dollars a day whilst engaged therein, and at the rate of five dollars for every twenty-five miles in going to, and returning from, such district, which shall form no part of the salary provided for by this act. And the President of the United States is hereby authorized, in the recess of the Senate, to appoint the appraisers of the said ports, which appointment shall continue in force until the end of the next session of Congress. (Vol. 3, Stat. L., pp. 435-6.)

The act of March 1, 1823, is as follows:

[Act of Mar. 1, 1823.]

SEC. 16. *And be it further enacted*, That, for the appraisement of goods, wares, or merchandise required by this or any other act concerning imports and tonnage, the President of the United States shall, by and with the advice and consent of the Senate, appoint, in each of the ports of Boston, New York, Philadelphia, Baltimore, Charleston, Savannah, and New Orleans, two persons, well qualified to perform that duty, who, before they enter thereon, shall severally make oath diligently and faithfully to examine and inspect such goods, wares, or merchandise, as the collector may direct, and truly to report, to the best of their knowledge and belief, the true value thereof, according to the provisions of the fifth section of this act; and when any appraisement is to be made in any other port other than those above named, the collector shall appoint two respectable resident merchants, who, after having taken the oath required by this section, shall be the appraisers; and the Secretary of the Treasury shall have authority to direct the appraisers for any collection district to attend in any other collection district for the purpose of appraising any goods, wares, or merchandise imported therein; and the President of the United States is hereby authorized, in the recess of the Senate, to appoint the appraisers for the ports provided for in this section, which appointments shall continue in force until the end of the session of Congress thereafter.

SEC. 18. *And be it further enacted*, That, in all cases where the owner, consignee, importer, or agent shall be dissatisfied with the appraisement of any goods, wares or merchandise, made by the appraisers appointed under the sixteenth section of this act, it shall be lawful for him to employ, at his own expense, two respectable resident merchants, who, after being duly qualified according to the sixteenth section of this act, shall, together with the two appraisers appointed on the part of the United States, under this act, examine and inspect the goods, wares, or merchandise in question, and, after such examination and inspection, they shall report the value thereof, if they agree therein, and if not, the circumstances of their disagreement, to the collector; and in case such owner, consignee, importer or agent shall be dissatisfied with such report and second appraisement, it shall be lawful for him to refer the case to the Secretary of the Treasury, who shall be, and is hereby, authorized and empowered to decide thereon, or to require further testimony in the case, in such manner as he may deem proper, and to order the said goods, wares, or merchandise to be entered accordingly. (Vol. 3, Stat. L., pp. 735-6.)

By the third section of the act of May 28, 1830 (vol. 4, Stat. L., p. 409), the rule of the act of 1823 was changed so that in case the merchant was dissatisfied with the action of the appraisers or the persons designated by the collector to make appraisements, the collector was authorized to designate one merchant and the owner, importer, or consignee another, and in case of their disagreement

these two appraisers were authorized to designate an umpire, and their decision, or a majority of them, was declared final, except where they disagreed with the United States appraisers, and in such case the collector was authorized to decide between them. The section is as follows:

[Act of May 28, 1830.]

SEC. 3. *And be it further enacted*, That from and after the thirtieth day of September next, whenever goods of which wool or cotton is a component part, of similar kind, but different quality, are found in the same package, if not imported from beyond the Cape of Good Hope, it shall be the duty of the appraisers to adopt the value of the best article contained in such package as the average value of the whole, and if the owner, importer, consignee, or agent, for any goods appraised, shall consider any appraisement made by the appraisers or other persons designated by the collector too high, he may apply to the collector in writing, stating the reasons for his opinion, and having made oath that the said appraisement is higher than the actual cost and proper charges on which duty is to be charged, and also that he verily believes it is higher than the current value of the said goods, including said charges, at the place of exportation, the collector shall designate one merchant skilled in the value of such goods and the owner, importer, consignee, or agent may designate another, both of whom shall be citizens of the United States, who, if they cannot agree on an appraisement, may designate an umpire who shall also be a citizen of the United States, and when they or a majority of them shall have agreed, they shall report the result to the collector, and if their appraisements shall not agree with that of the United States appraisers, the collector shall decide between them. (Vol. 4, Stat. L., pp. 409-10.)

The seventeenth section of the act of 1842 (vol. 5, Stat L., p. 564) provided that in case the merchant was dissatisfied with the appraisement, the collector should select two discreet and experienced merchants, and in case of their agreement it was to be final, and in case of disagreement the collector was to decide between them, and this action was to be final and conclusive as to value.

The section is as follows:

[Act of Aug. 30, 1842.]

SEC. 17. *And be it further enacted*, That it shall be lawful for the appraisers or the collector and naval officer, as the case may be, to call before them and examine, upon oath or affirmation, any owner, importer, consignee, or other person, touching any matter or thing which they may deem material in ascertaining the true market value or wholesale price of any merchandise imported, and to require the production, on oath or affirmation, to the collector or to any permanent appraiser, of any letters, accounts, or invoices in his possession relating to the same, for which purpose they are hereby respectively authorized to administer oaths and affirmations; and if any person so called shall neglect or refuse to attend, or shall decline to answer, or shall, if required, refuse to answer in writing any interrogatories and subscribe his name to his deposition or produce such papers, when so required, he shall forfeit and pay to the United States the sum of one hundred dollars; and if such person be the owner, importer, or consignee, the appraisement which the said appraisers, or collector and naval officer, where there are no legal appraisers, may make of the goods, wares, and merchandise, shall be final and conclusive, any act of Congress to the contrary notwithstanding; and any person who shall wilfully and corruptly swear or affirm falsely on such examination shall be deemed guilty of perjury; and if he be the owner, importer, or consignee the merchandise shall be forfeited; and all testimony in writing or depositions taken by virtue of this section shall be filed in the collector's office and preserved for future use or reference, to be transmitted to the Secretary of the Treasury when he shall require the same: *Provided*, That if the importer, owner, agent, or consignee of any such goods shall be dissatisfied with the appraisement, and shall have complied with the foregoing requisitions, he may forthwith give notice to

the collector, in writing, of such dissatisfaction; on the receipt of which the collector shall select two discreet and experienced merchants, citizens of the United States, familiar with the character and value of the goods in question, to examine and appraise the same, agreeably to the foregoing provisions; and if they shall disagree, the collector shall decide between them; and the appraisement thus determined shall be final, and deemed and taken to be the true value of said goods, and the duties shall be levied thereon accordingly, any act of Congress to the contrary notwithstanding: *Provided also*, That in all cases where the actual value to be appraised, estimated and ascertained as hereinbefore stated, of any goods, wares, and merchandise, imported into the United States, and subject to any ad valorem duty, or whereon the duty is regulated by or directed to be imposed or levied on the value of the square yard, or other parcel or quantity thereof, shall exceed by ten per centum or more the invoice value, then, in addition to the duty imposed by law on the same, there shall be levied and collected, on the same goods, wares, and merchandise, fifty per centum of the duty imposed on the same, when fairly invoiced. (Vol. 5, Stats. L., p. 564.)

By the act of March 3, 1851 (vol. 9, Stat. L., p. 630), four appraisers were to be appointed, who are known in subsequent statutes as general appraisers, and wherever practicable in cases of appeal from the decision of the appraiser under the provisions of the seventeenth section of the act of 1842, above alluded to, the collector was required to select one discreet and experienced merchant, to be associated with one of the appraisers appointed under the provisions of that act, who together were required to appraise the merchandise, and if they disagreed the collector decided between them, and the appraisement thus determined was declared final and conclusive, and deemed and taken to be the true value of the merchandise. This is practically the existing law, and under it, in cases of appeal, a merchant is selected by the collector, who, together with the general appraiser provided for by the act of March 3, 1851, appraise the merchandise, and their decision is final except, in case of disagreement, the collector decides between them, and then that decision is final. These four appraisers thus provided for are on duty in districts prescribed by the Secretary, one at Boston, one at New York, one at Philadelphia, and one at Baltimore.

The act of March, 1851, is as follows:

[Act of Mar. 3, 1851.]

SEC. 3. *And be it further enacted*, That there shall be appointed by the President of the United States, by and with the advice and consent of the Senate, four appraisers of merchandise, to be allowed an annual salary each of two thousand five hundred dollars, together with their actual traveling expenses, to be regulated by the Secretary of the Treasury, who shall be employed in visiting such ports of entry in the United States, under the direction of the said Secretary, as may be deemed useful by him for the security of the revenue, and shall at such ports afford such aid and assistance in the appraisement of merchandise thereat as may be deemed necessary by the Secretary of the Treasury to protect and insure uniformity in the collection of the revenue from customs; and wherever practicable, in cases of appeal from the decision of United States appraisers, under provisions of the seventeenth section of the tariff act of thirtieth August, eighteen hundred and forty-two, the collector shall select one discreet and experienced merchant to be associated with one of the appraisers appointed under the provisions of this act, who together shall appraise the goods in question; and if they shall disagree, the collector shall decide between them; and the appraisement thus determined shall be final, and deemed and taken to be the true value of said goods, and the duties shall be levied thereon accordingly, any act of Congress to the contrary notwithstanding. (Vol. 9, Stats. L., p. 630.)

It will thus be seen by the citations from the various statutes on the subject that appraisements were originally made by merchants

called in as experts to determine the value of merchandise concerning which there was doubt or dispute. As the foreign commerce of the country increased, it became necessary to appoint Government appraisers, who were authorized to appraise the goods in the first instance and in case of dissatisfaction by the importer, merchant appraisers were called at his expense to act with the official appraisers. The next change was, in case of such dissatisfaction merchants were called in, one to be selected by the importer and one by the collector, and another selected by these two as umpire in case of their disagreement with the first appraisement. This continued until 1842, when the section of that act heretofore quoted took away from the importer all control of appraisements, whether upon appraisement or reappraisement, and placed the whole direction thereof under the control of the collector of the port, he having absolute authority to select all persons whose duty it should be to appraise goods. It is true that the custom of calling in merchants was continued by that act, but their selection was to be in every case by the collector, and for the time being they were as much officers of the customs as were the official appraisers, being required to take an oath faithfully to discharge their duties.

Since the act of 1842 the Government, through its proper officers, has had absolute control of all appraisements, and it may be added that although the methods have been from time to time changed as importations have increased, yet in every readjustment the Government has assumed larger control over appraisements. It is manifest that with an increase in value of imported merchandise from \$28,000,000 in 1791 to \$692,000,000 in 1887 the necessity for some radical change in this system is forced upon us. What might have been a perfectly satisfactory method in the former period, or even in 1842 when the imports were but \$88,000,000, proves at this time unreliable, dilatory, and very imperfect. The investigations of the committee clearly show that further revision and readjustment of this machinery of appraisement is required so as to place the control still more fully in the hands of permanent appraising officers, in order to meet the demands of increased activity in trade, the close margin upon which business is transacted, and the marvelous changes which have taken place in commercial intercourse and methods, which make it exceedingly inconvenient and well nigh impossible to select merchant appraisers who would be in all cases impartial. It has frequently happened that importers have been chosen to appraise the merchandise of their competitors in business and have thus acquired knowledge valuable to themselves and prejudicial to their rivals.

The committee believe, therefore, that the substitution of men expert in the work will secure to the importer a greater measure of justice than does the present system, and will insure greater facility in the appraisement of merchandise, thus relieving the collector from the constant and perpetual annoyance of selecting merchant appraisers in every instance of dissatisfaction, and at the same time insuring to the Government, and to importers as well, greater uniformity as respects values at the different ports of the United States. The proposed change is to substitute for the merchant appraisers and collector a board of general appraisers, which would result in the final settlement of all questions of appraisal by an impartial board of experts.

It may be said that it would be impossible for these general appraisers to become experts as to the varied classes of merchandise likely to be imported, but, if that be so, they could always avail themselves of the services of merchants who would be expert in every class of such goods. This section provides that either the collector or the importer, if dissatisfied with the appraisement, may have a reappraisement by one of the general appraisers, and if either should still be dissatisfied the matter is to be referred to a board of general appraisers, whose decision as to value shall be final and conclusive against the Government and the importer.

Sections 13 and 14 are as follows:

SEC. 13. The decision of the collector as to the classification of imported merchandise, and as to the rate and amount of duties chargeable thereon, including all dutiable costs and charges, and as to all fees, charges, and exactions of whatever character (excepting duties on the tonnage of vessels), shall be final and conclusive against all persons interested therein, unless the owner, importer, consignee, or agent of such merchandise, or the person paying such fees, charges, and exactions other than duties, shall, not before, but within, ten days after such ascertainment and liquidation of duties, as well in cases of merchandise entered in bond as for consumption, or within ten days after the payment of such fees, charges, and exactions, if dissatisfied with such decision, give notice in writing to the collector, setting forth therein distinctly and specifically, and in respect to each entry or payment, the reasons for his objection thereto, and if the merchandise is entered for consumption shall pay the full amount of the duties and charges ascertained to be due thereon. Upon such notice and payment the collector shall transmit the entry and all the papers and exhibits connected therewith to the board of general appraisers, which shall be on duty at the port of New York, or of three general appraisers who may be designated by the Secretary of the Treasury for such duty at that port or at any other port, which board shall examine and decide the case thus submitted, and their decision, or that of a majority of them, shall be final and conclusive upon all persons interested therein (except in cases where an application shall be filed in the circuit court within the time and in the manner provided for in section fourteen of this act), and the entry thereof shall be reliquidated accordingly, including all dutiable costs and charges thereon, and all fees, charges, or exactions shall be paid in accordance with their decision.

SEC. 14. If the owner, importer, consignee, or agent of any imported merchandise, or the collector, or the Secretary of the Treasury, shall be dissatisfied with the decision of the board of general appraisers, as provided for in section thirteen of this act, as to the construction of the law respecting the classification of such merchandise and the rate of duty imposed thereon under such classification, they, or either of them, may, within thirty days next after such decision, and not afterwards, apply to the circuit court of the United States within the district in which the matter arises for a review of the questions of law involved in such decision. Such application shall be made by filing in the office of the clerk of said circuit court a concise statement of the errors of law complained of, and a copy of such statement shall be served on the collector, or on the importer, owner, consignee, or agent, as the case may be. Thereupon the court shall order the board of appraisers to transmit to said circuit court a certified statement of their findings of the facts involved in the case and their decision thereon; and the facts so found and certified shall be final and conclusive upon the court; which statement and certificate of the board of appraisers shall constitute the record in the circuit court, and said circuit court shall proceed to hear and determine the question of law involved in such decision, and the decision of such court shall be final, unless such court shall be of opinion that the question involved is of such importance as to require a review of such decision by the Supreme Court of the United States, in which case said circuit court, or the judge making the decision, may, within thirty days thereafter, allow an appeal to said Supreme Court; but an appeal shall be allowed on the part of the United States whenever the Attorney-General shall apply for it within thirty days after the rendition of such decision. On such original application, and on any such appeal, security for damages and costs shall be given as in the case of other appeals in cases in which the United States is a party. Said Supreme Court shall have jurisdiction and

power to review such decision, and may affirm, modify, or reverse such decision of such circuit court, and remand the case with such orders as may seem to it proper in the premises, which shall be executed accordingly. For the purposes of this section the circuit courts of the United States shall be deemed always open, and said circuit courts, respectively, may establish, and from time to time alter, rules and regulations not inconsistent herewith for the procedure in such cases as they shall deem proper.

They relate to the classification and rate of duty, and provide methods of appeal from the decision of the collector thereon as provided for in section 12, and are intended to take the place of sections 2931 and 2932 of the Revised Statutes, as follows:

[Revised Statutes, secs., 2931, 2932.]

SEC. 2931. On the entry of any vessel, or of any merchandise, the decision of the collector of customs at the port of importation and entry, as to the rate and amount of duties to be paid on the tonnage of such vessel or on such merchandise, and the dutiable costs and charges thereon, shall be final and conclusive against all persons interested therein, unless the owner, master, commander, or consignee of such vessel, in the case of duties levied on tonnage, or the owner, importer, consignee, or agent of the merchandise, in the case of duties levied on merchandise, or the costs and charges thereon, shall, within ten days after the ascertainment and liquidation of the duties by the proper officers of the customs, as well in cases of merchandise entered in bond as for consumption, give notice in writing to the collector on each entry, if dissatisfied with his decision, setting forth therein, distinctly and specifically, the grounds of his objection thereto, and shall within thirty days after the date of such ascertainment and liquidation, appeal therefrom to the Secretary of the Treasury. The decision of the Secretary on such appeal shall be final and conclusive; and such vessel, or merchandise, or costs and charges, shall be liable to duty accordingly, unless suit shall be brought within ninety days after the decision of the Secretary of the Treasury on such appeal for any duties which shall have been paid before the date of such decision on such vessel, or on such merchandise, or costs or charges, or within ninety days after the payment of duties paid after the decision of the Secretary. No suit shall be maintained in any court for the recovery of any duties alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless the decision of the Secretary shall be delayed more than ninety days from the date of such appeal in case of an entry at any port east of the Rocky Mountains, or more than five months in case of an entry west of those mountains.

SEC. 2932. The decision of the respective collectors of customs as to all fees, charges, and exactions of whatever character other than those relating to the rate and amount of duties to be paid on the tonnage of any vessel, or on merchandise and the dutiable costs and charges thereon, claimed by them, or by any of the officers under them, in the performance of their official duty shall be final and conclusive against all persons interested in such fees, charges, or exactions, unless the like notice that an appeal will be taken from such decision to the Secretary of the Treasury shall be given within ten days from the making of such decision, and unless such appeal shall actually be taken within thirty days from the making of such decision; and the decision of the Secretary of the Treasury shall be final and conclusive upon the matter so appealed, unless suit shall be brought for the recovery of such fees, charges, or exactions within the period as provided for in the preceding section in regard to duties. No suit shall be maintained in any court for the recovery of any such fees, costs, and charges alleged to have been erroneously or illegally exacted until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless such decision of the Secretary shall be delayed more than ninety days from the date of such appeal, in case of an entry at any port east of the Rocky Mountains, or more than five months in case of an entry west of those mountains. (Pages 567, 568.)

It will be seen that the proposed sections are a radical departure from the existing law. The thirteenth section substitutes for the decision of the Secretary of the Treasury in all cases of appeal upon

questions of classification and rate of duty, and upon questions as to fees, charges, and exactions, the decision of the board of appraisers provided for in the preceding section, and confers upon said board in the first instance exclusive jurisdiction of all said questions. The fourteenth section confers upon the several circuit courts of the United States appellate jurisdiction upon all questions of law as respects classification and rate of duty, with a final determination by the Supreme Court of the United States in difficult cases, or in cases where the Attorney-General shall be of opinion that the matter in controversy should be appealed thereto.

The intent and purpose of these two sections is to afford the importer and the Government a speedy decision upon every question of law and fact that can arise as respects the proper classification of merchandise and the rate of duty to be charged thereon. It is believed that these two sections together will render substantial justice to the importer and to the Government.

Sections 2931 and 2932 are derived from sections 14 and 15 of the tariff act of June 30, 1864, which are as follows:

[Act of June 30, 1864.]

SEC. 14. *And be it further enacted*, That on the entry of any vessel, or of any goods, wares, or merchandise, the decision of the collector of customs at the port of importation and entry, as to the rate and amount of duties to be paid on the tonnage of such vessel or on such goods, wares, or merchandise, and the dutiable costs and charges thereon, shall be final and conclusive against all persons interested therein, unless the owner, master, commander, or consignee of such vessel, in the case of duties levied on tonnage, or the owner, importer, consignee, or agent of the merchandise, in the case of duties levied on goods, wares, or merchandise, or the costs and charges thereon, shall within ten days after the ascertainment and liquidation of the duties by the proper officers of the customs, as well in cases of merchandise entered in bond as for consumption, give notice in writing to the collector on each entry, if dissatisfied with his decision, setting forth therein, distinctly and specifically, the grounds of his objection thereto, and shall, within thirty days after the date of such ascertainment and liquidation, appeal therefrom to the Secretary of the Treasury, whose decision on such appeal shall be final and conclusive; and such vessel, goods, wares, or merchandise, or cost and charges, shall be liable to duty accordingly, any act of Congress to the contrary notwithstanding, unless suit shall be brought within ninety days after the decision of the Secretary of the Treasury on such appeal for any duties which shall have been paid before the date of such decision on such vessel, or on such goods, wares, or merchandise, or costs or charges, or within ninety days after the payment of duties paid after the decision of the Secretary. And no suit shall be maintained in any court for the recovery of any duties alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless said decision of the Secretary shall be delayed more than ninety days from the date of such appeal, in case of an entry at any port east of the Rocky Mountains, or more than five months in case of an entry west of those mountains.

SEC. 15. *And be it further enacted*, That the decision of the respective collectors of customs as to all fees, charges, and exactions of whatever character, other than those mentioned in the next preceding section, claimed by them, or by any of the officers under them, in the performance of their official duty, shall be final and conclusive against all persons interested in such fees, charges, or exactions, unless the like notice that an appeal will be taken from such decision to the Secretary of the Treasury shall be given within ten days from the making of such decision, and unless such appeal shall actually be taken within thirty days from the making of such decision; and the decision of the Secretary of the Treasury shall be final and conclusive upon the matter so appealed, unless suit shall be brought for the recovery of such fees, charges, or exactions within the period as provided for in the next preceding section in regard to duties. And no suit shall be maintained in any court for the recovery of any such

fees, costs, and charges alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless such decision of the Secretary shall be delayed more than ninety days from the date of such appeal in case of an entry at any port east of the Rocky Mountains, nor more than five months in case of an entry west of those mountains. (Vol. 13, Stats. L., pp. 214, 215.)

Previous to 1839 a person paying duties claimed by him to have been illegally exacted had a common-law right of action against the collector to whom the payment had been made, provided the person making such payment gave notice at the time of payment that the duties charged were too high, and that the party paying so paid in order to secure possession of his merchandise, and that he intended to sue to recover back the amount so erroneously paid, and provided that he also gave notice to the collector not to pay over the amount into the Treasury. Collectors of customs being thus personally liable, it was their practice to retain large sums of money in their possession on the ground that it had been paid under protest, and that they must indemnify themselves against liability. This evil of retention of moneys by collectors became so marked that by the second section of the act of March, 1839, all moneys were required to be paid into the Treasury. Said section is as follows:

[Act of Mar. 3, 1839.]

SEC. 2. *And be it further enacted*, That from and after the passage of this act all money paid to any collector of the customs, or to any person acting as such, for unascertained duties or for duties paid under protest against the rate or amount of duties charged, shall be placed to the credit of the Treasurer of the United States, kept and disposed of as all other money paid for duties is required by law, or regulation of the Treasury Department, to be placed to the credit of said Treasurer, kept and disposed of; and shall not be held by the said collector, or person acting as such, to await any ascertainment of duties, or the result of any litigation in relation to the rate or amount of duty legally chargeable and collectable in any case where money is so paid; but whenever it shall be shown to the satisfaction of the Secretary of the Treasury that in any case of unascertained duties or duties paid under protest, more money has been paid to the collector, or person acting as such, than the law requires should have been paid, it shall be his duty to draw his warrant upon the Treasury in favor of the person or persons entitled to the overpayment, directing the said Treasurer to refund the same out of any money in the Treasury not otherwise appropriated. (Vol. 5, Stats. L., pp. 348-9.)

It was held by the Supreme Court in the case of *Carey v. Curtis* (3 How., p. 236) that this act deprived the importer of all right of action in the courts for duty erroneously or illegally exacted from him. This decision of the court, therefore, left him no remedy but an appeal to the Secretary of the Treasury, who was authorized, whenever it was shown to his satisfaction in any case of unascertained duties, etc., to refund such overpayment. It thus being held that the importer was excluded by this act from commencing suit at common law, Congress, on the 26th of February, 1845 (vol. 5, Stat. L., p. 727), provided that nothing in the act should be construed to take away or impair the right of any person or persons to maintain a suit at common law.

The law is as follows:

[Act of Feb. 26, 1845.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That nothing contained in the second section of the act entitled "An act making appropriations for the civil and diplomatic expenses of Government for the year one thousand eight hundred and thirty-

nine," approved on the third day of March, one thousand eight hundred and thirty-nine, shall take away, or be construed to take away or impair, the right of any person or persons who have paid or shall hereafter pay money, as and for duties, under protest to any collector of the customs, or other person acting as such, in order to obtain goods, wares, or merchandise, imported by him or them, or on his or their account, which duties are not authorized or payable in part or in whole by law, to maintain any action at law against such collector or other person acting as such, to ascertain and try the legality and validity of such demand and payment of duties, and to have a right to a trial by jury touching the same according to the due course of law. Nor shall anything contained in the second section of the act aforesaid be construed to authorize the Secretary of the Treasury to refund any duties paid under protest; nor shall any action be maintained against any collector to recover the amount of duties so paid under protest unless the said protest was made in writing and signed by the claimant at or before the payment of said duties, setting forth distinctly and specifically the grounds of objection to the payment thereof. (Vol. 5, Stats. L., p. 727.)

And this provision continued in force until June 30, 1864, when the sections, 14 and 15, already quoted, were enacted. Since which time importers have been compelled to resort to the statutory remedy therein provided; and by said sections the common law remedy which existed up to that time was taken away. This existing statutory remedy as to protests and appeals is found in sections 2931 and 2932. The amount of litigation which has grown up under this method of procedure is enormous, and it is constantly increasing, particularly at the port of New York. Over 4,000 suits are now pending in the United States circuit court for the southern district of New York alone, and the number is constantly augmenting, notwithstanding the appointment of an additional circuit judge about a year ago for the trial of these cases. The Secretary of the Treasury in his last annual report calls especial attention to this condition of affairs and says:

The calendar of customs suits in the southern district of New York has grown so large that there is no reasonable prospect of disposing of them in this generation. A merchant who has suffered an illegal exaction of duties can not hope for a speedy trial of his cause, and justice is practically denied him. The laws, which were ostensibly enacted to prevent fraud by undervaluation, promote rather than suppress this evil.

It should be said that some of these suits were begun as early as 1858. It is impossible to compute the amount involved, so that the Government is menaced with unknown obligations amounting to many millions of dollars and always increasing. In addition to these suits there are more than 30,000 protests and appeals pending in the Treasury Department and in the New York custom-house dependent on this litigation.

It is believed that the proposed sections will afford claimants a speedy, just, and efficacious remedy. The tribunal in the first instance will be composed of officers selected with a view to their peculiar fitness and qualifications for the duties devolving upon them. Their time and attention will be given exclusively to a study of the tariff laws, and to their practical application, and they could readily hear and dispose of the cases as they might arise in an intelligent and satisfactory manner, but if they shall make a mistake as respects the true construction of the statutes relating to classification and rate of duty, a quick, speedy, and efficacious remedy is provided in the fourteenth section for a review of their decision as respects the law of the case, their finding of facts being conclusive upon the Government and the importer.

Under the present system all questions of classification and rate of duty are submitted to the Secretary of the Treasury upon appeal from the decision of the collector when the importer is dissatisfied with such decision. It is manifestly impossible for the Secretary of the Treasury, or for any Assistant Secretary of the Treasury, to give personal detailed consideration to these appeals, except in rare and important cases; therefore from necessity there has grown up in the Treasury Department a bureau or division of the Secretary's office which examines all these cases, and consequently in practice most of them are made up and decided by a chief of division in the Treasury Department, his decision, of course, being reviewed, but generally in a perfunctory way, either by the Secretary himself or by one of the assistant secretaries.

In the opinion of the committee, a board such as is provided for by the sections under consideration, sitting at the place of importation, and having easy access to all the facts and circumstances surrounding the case, including a view of the merchandise, could give much more intelligent consideration to the questions involved than could subordinates in the Treasury Department located in Washington.

Section 15 is as follows:

SEC. 15. That all decisions of the general appraisers and of the boards of general appraisers, respecting values and rates of duty, shall be preserved and filed, and shall be open to inspection under proper regulations to be prescribed by the Secretary of the Treasury. All decisions of the general appraisers shall be reported forthwith to the Secretary of the Treasury and to the board of general appraisers in New York, and the report of the board shall be accompanied, whenever practicable, by samples of the merchandise in question, and it shall be the duty of the said board, under the direction of the Secretary of the Treasury, to cause an abstract to be made and published of such decisions of the appraisers as they may deem important, and the decisions of each of the general appraisers and boards of general appraisers, which abstract shall contain a general description of the merchandise in question and of the value and rate of duty fixed in each case, with reference, whenever practicable, by number or other designation, to samples deposited in the place of samples at New York, and such abstract shall be issued from time to time, at least once in each week, for the information of customs officers and the public.

and is intended to give the greatest publicity to the decisions of the general appraisers and boards of general appraisers in order that all parties interested may have at all times full knowledge of the values, classifications, and rates of duties.

Section 16 is as follows:

SEC. 16. That whenever imported merchandise is subject to an ad valorem rate of duty, or to a duty based upon or regulated in any manner by the value thereof, the duty shall be assessed upon the actual market value or wholesale price of such merchandise, at the time of exportation to the United States, in the principal markets of the country from whence imported, and in the condition in which such merchandise is there bought and sold for exportation to the United States, or consigned to the United States for sale, including the value of all cartons, cases, crates, boxes, sacks, and coverings of any kind, and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States; and if there be used for covering or holding imported merchandise, whether dutiable or free, any unusual material article or form, designed for use otherwise than in the bona fide transportation of such merchandise to the United States, additional duty shall be levied and collected upon such material or article at the rate to which the same would have been subject if separately imported. That the words "value" or "actual market value" wherever used in this act or in any law relating to the appraisement of imported merchandise shall be construed to mean the actual market value or wholesale price as defined in this section.

The object of this section is to do away with the difficulties which have resulted from the enactment of section 7 of the tariff act of 1883 by which sections 2907 and 2908 of the Revised Statutes were repealed. These provisions are as follows:

[Revised Statutes, secs. 2907, 2908.]

SEC. 2907. In determining the dutiable value of merchandise, there shall be added to the cost, or to the actual wholesale price or general market value at the time of exportation in the principal markets of the country from whence the same has been imported into the United States, the cost of transportation, shipment, and transshipment, with all the expenses included, from the place of growth, production, or manufacture, whether by land or water, to the vessel in which shipment is made to the United States, the value of the sack, box, or covering of any kind in which such merchandise is contained, commission at the usual rates, but in no case less than two and a half per centum, and brokerage, export duty, and all other actual or usual charges for putting up, preparing, and packing for transportation or shipment. All charges of a general character incurred in the purchase of a general invoice shall be distributed pro rata among all parts of such invoice; and every part thereof charged with the duties based on value shall be advanced according to its proportion, and all wines or other articles paying specific duty by grades shall be graded and pay duty according to the actual value so determined.

SEC. 2908. All additions made to the entered value of merchandise for charges shall be regarded as part of the actual value of such merchandise, and if such addition shall exceed by ten per centum the value declared in the entry, in addition to the duties imposed by law, there shall be collected a duty of twenty per centum on such value. But nothing contained in this and the preceding section shall apply to linen combing or carpet wools costing above twelve cents per pound, unless the charges so added shall carry the cost above twelve cents per pound, in which case one cent per pound duty shall be added: *Provided*, That this and the preceding section shall not be construed as impairing the provisions relating to duties on the several classes of imported wools contained in section two thousand five hundred and four, under Schedule L. (Pages 563, 564.)

[Tariff act, Mar. 3, 1883.]

SEC. 7. That sections twenty-nine hundred and seven and twenty-nine hundred and eight of the Revised Statutes of the United States and section fourteen of the act entitled "An act to amend the customs revenue laws, and to repeal moities," approved June twenty-second, eighteen hundred and seventy-four, be, and the same are hereby, repealed, and hereafter none of the charges imposed by said sections or any other provisions of existing law shall be estimated in ascertaining the value of goods to be imported, nor shall the value of the usual and necessary sacks, crates, boxes, or covering of any kind be estimated as part of their value in determining the amount of duties for which they are liable: *Provided*, That if any packages, sacks, crates, boxes, or coverings of any kind shall be of any material or form designed to evade duties thereon, or designed for use otherwise than in the bona fide transportation of goods to the United States, the same shall be subject to a duty of one hundred per centum ad valorem upon the actual value of the same. (Vol. 22, Stat. at Large, act of March 3, 1883, page 523.)

The seventh section of the act of March 3, 1883, was interpreted by the Supreme Court of the United States in the case of *Oberteuffer v. Robertson* (U. S. Reports, 116, p. 499), in which the court held that the dutiable value of imported goods under that section is not their value in their marketable condition as bought and sold, but it is their value in their naked condition, stripped of all coverings of any kind, and excluding all costs for charges for wrapping, folding, ticketing, and other expenses of placing the goods in proper condition for sale. As a matter of fact, it is impossible to sell the goods in the condition in which they are required to be appraised by this decision, and equally impossible for the appraising officer to ascertain the market

value of the merchandise, as in such condition it has no market value. The design of the proposed section is to have the market value of the merchandise appraised in the condition in which it is bought and sold for exportation to the United States, including all charges incident to placing the merchandise in condition, packed ready for shipment to the United States.

It was provided in effect by the fourth section of the tariff act of 1818 (3 Stat., 434) that the dutiable value of goods subject to ad valorem rates should include "all charges, except commissions, outside packages, and insurance."

[Act of Apr. 20, 1818.]

SEC. 4. *And be it further enacted*, That the ad valorem rates of duty upon goods, wares, and merchandise shall be estimated by adding twenty per cent to the actual cost thereof if imported from the Cape of Good Hope, or from any island, port, or place beyond the same, and ten per cent on the actual cost thereof if imported from any other place or country, including all charges, except commissions, outside packages, and insurance. (3 Stats. L., p. 434.)

The fifth section of the act of March 1, 1823 (3 Stat., 732), provided that there should be added to the cost or value of goods subject to ad valorem duties "all charges except insurance," and the same proviso was re-enacted by the fifteenth section of the act of July 14, 1832 (4 Stat., 593).

[Act of Mar. 1, 1823.]

SEC. 5. *And be it further enacted*, That the ad valorem rates of duty upon goods, wares, and merchandise shall be estimated in the manner following: To the actual cost, if the same shall have been actually purchased, or the actual value, if the same shall have been procured otherwise than by purchase, at the time and place when and where purchased or otherwise procured, or to the appraised value, if appraised, except in cases where goods are subjected to the penalty provided for in the thirteenth section of this act, shall be added all charges, except insurance; and also twenty per centum on the said cost or value, and charges, if imported from the Cape of Good Hope, or any place beyond that, or from beyond Cape Horn, or ten per centum if from any other place or country; and the said rates of duty shall be estimated on such aggregate amount: *Provided*, That in all cases where any goods, wares, or merchandise, subject to ad valorem duty, shall have been imported from a country other than that in which the same were manufactured or produced, the appraisers shall value the same at the current value at the time of exportation in the country where the same may have been originally manufactured or produced. (3 Stats. L., p. 732-3.)

[Act of July 14, 1832.]

SEC. 15. *And be it further enacted*. That from and after the said third day of March, one thousand eight hundred and thirty-three, the ad valorem rates of duty on goods, wares, and merchandise shall be estimated in the manner following: To the actual cost, if the same shall have been actually purchased, or the actual value, if the same shall have been procured otherwise than by purchase, at the time and place when and where purchased or otherwise procured, or to the appraised value, if appraised, shall be added all charges except insurance. (4 Stats. L., p. 593.)

The sixteenth section of the tariff act of August 30, 1842 (5 Stat., 563), declared that there "shall be added all cost and charges except insurance, and including in every case a charge for commissions at the usual rates, as the true value at the port where the same may be entered upon which duties shall be assessed."

The eighth section of the tariff act of July 30, 1846 (9 Stat., 43), made provision for additions by the importer upon entry to the cost or value given in the invoice and also declared that the person making

entry might "add thereto all costs and charges which, under existing laws, would form part of the true value at the port where the same may be entered, upon which the duties shall be assessed."

[Act of July 30, 1846.]

SEC. 8. *And be it further enacted*, That it shall be lawful for the owner, consignee, or agent of imports which have been actually purchased, on entry of the same, to make such addition in the entry to the cost or value given in the invoice as, in his opinion, may raise the same to the true market value of such imports in the principal markets of the country whence the importation shall have been made, or in which the goods imported shall have been originally manufactured or produced, as the case may be; and to add thereto all costs and charges which, under existing laws, would form part of the true value at the port where the same may be entered, upon which the duties should be assessed. And it shall be the duty of the collector within whose district the same may be imported or entered to cause the dutiable value of such imports to be appraised, estimated, and ascertained in accordance with the provisions of existing laws; and if the appraised value thereof shall exceed by ten per centum or more the value so declared on the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected, and paid a duty of twenty per centum ad valorem on such appraised value: *Provided, nevertheless*, That under no circumstances shall the duty be assessed upon an amount less than the invoice value, any law of Congress to the contrary notwithstanding. (9 Stats. at Large, p. 43.)

Section 1 of the act of March 3, 1851 (9 Stat., 629), provided that all merchandise subject to ad valorem duty should be appraised at the period of exportation to the United States "and to such value, or price, shall be added all costs and charges, except insurance, and including in every case a charge for commissions, at the usual rates, as the true value at the port where the same may be entered, upon which duties shall be assessed."

[Act of Mar. 3, 1851.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in all cases where there is, or shall be imposed any ad valorem rate of duty on any goods, wares, or merchandise imported into the United States, it shall be the duty of the collector within whose district the same shall be imported or entered, to cause the actual market value or wholesale price thereof at the period of the exportation to the United States, in the principal markets of the country from which the same shall have been imported into the United States, to be appraised, estimated, and ascertained; and to such value or price shall be added all costs and charges, except insurance, and including in every case a charge for commissions at the usual rates as the true value at the port where the same may be entered, upon which duties shall be assessed. (9 Stats. L., pp. 629, 630.)

The twenty-fourth section of the tariff act of June 30, 1864 (13 Stat., 216), provided as follows:

[Act of June 30, 1864.]

SEC. 24. *And be it further enacted*, That in determining the valuation of goods imported into the United States from foreign countries, except as hereinbefore provided, upon which duties imposed by any existing laws are to be assessed, the actual value of such goods on shipboard at the last place of shipment to the United States shall be deemed dutiable value. And such value shall be ascertained by adding to the value of such goods at the place of growth, production, or manufacture the cost of transportation, shipment, and transshipment, with all the expenses included from the place of growth, production, or manufacture, whether by land or water, to the vessel in which shipment is made to the United States, the value of the sack, box, or covering of any kind in which such goods are contained, commission at the usual rate, in no case less than 2½ per centum, brokerage, and all export duties, together with all costs

and charges, paid or incurred for placing said goods on shipboard, and all other proper charges specified by law. (13 Stat., 216.)

This section was repealed by the seventh section of the tariff act of March 3, 1865 (13 Stat., 494), which declared that—

All acts and parts of acts requiring duties to be assessed upon commissions, brokerage, costs of transportation, shipment, transshipment, and other like costs and charges incurred in placing any goods, wares, or merchandise on shipboard * * * are hereby repealed.

[Act of Mar. 3, 1865.]

SEC. 7. *And be it further enacted*, That in all cases where there is or shall be imposed any ad valorem rate of duty on any goods, wares, or merchandise imported into the United States, and in all cases where the duty imposed by law shall be regulated by, or directed to be estimated upon, the value of the square yard, or of any specific quantity or parcel of such goods, wares, or merchandise, it shall be the duty of the collector within whose district the same shall be imported or entered, to cause the actual market value or wholesale price thereof, at the period of the exportation to the United States in the principal markets of the country from which the same shall have been imported into the United States, to be appraised, and such appraised value shall be considered the value upon which the duty shall be assessed. That it shall be lawful for the owner, consignee, or agent of any goods, wares, or merchandise which shall have been actually purchased or procured otherwise than by purchase, at the time, and not afterwards, when he shall produce his original invoice or invoices to the collector, and make and verify his written entry of his goods, wares, or merchandise, as provided by section thirty-six of the act of March two, seventeen hundred and ninety-nine, entitled "An act to regulate the collection of duties on imports and tonnage," to make such addition in the entry to the cost or value given in the invoice as in his opinion may raise the same to the actual market value or wholesale price of such goods, wares, or merchandise at the period of exportation to the United States, in the principal markets of the country from which the same shall have been imported; and it shall be the duty of the collector within whose district the same may be imported or entered to cause such actual market value or wholesale price to be appraised in accordance with the provisions of existing laws, and if such appraised value shall exceed by ten per centum or more the value so declared in the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected, and paid a duty of twenty per centum ad valorem on such appraised value: *Provided*, That the duty shall not be assessed upon an amount less than the invoice or entered value, any act of Congress to the contrary notwithstanding: *And provided further*, That the sections twenty-third and twenty-fourth of the act approved June thirtieth, eighteen hundred and sixty-four, entitled "An act to increase duties on imports and for other purposes," and all acts and parts of acts requiring duties to be assessed upon commission, brokerage, costs of transportation, shipment, transshipment, and other like cost and charges incurred in placing any goods, wares, or merchandise on shipboard, and all acts or parts of acts inconsistent with the provisions of this act, are hereby repealed. (13 Stats. L., pp. 493-4.)

By section 9 of the act of July 28, 1866 (14 Stat., 330), it was declared—

That in determining the dutiable value of merchandise hereafter imported, there shall be added to the cost, or to the actual wholesale price or general market value at the time of exportation in the principal markets of the country from whence the same shall have been imported into the United States, the cost of transportation, shipment, and transshipment, with all the expenses included from the place of growth, production, or manufacture, whether by land or water, to the vessel in which shipment is made to the United States; the value of the sack, box, or covering of any kind in which such goods are contained; commission at the usual rates, but in no case less than two and a half per centum; brokerage, export duty, and all other actual or usual charges for putting up, preparing, and packing for transportation or shipment.

This section appears in the Revised Statutes as section 2907.

From this review of the legislation on the subject it will be seen that from the act of March 1, 1823, to the act of March 3, 1883, the cost of coverings and other charges formed part of the dutiable value, except during the short period between the acts of March 3, 1865, and July 28, 1866, and it is understood that the difficulties of administering the law exempting coverings during that short period led to the speedy return to the previous rule.

The attention of Congress has been repeatedly called by the Secretary of the Treasury to the insuperable difficulties in the way of administering the present law as construed by the courts and by the Attorney-General. Under date of April 26, 1886, the present Secretary of the Treasury, in a communication to the Hon. A. S. Hewitt, says:

The effect of this decision is to reduce materially, but in an irregular and uncertain manner, the duties upon all merchandise subject to ad valorem rates, and to afford advantage to those importers who are least scrupulous.

In a report dated November 27, 1886, he says, after reciting very fully and pointedly the troubles experienced in administering said section, that—

The law, requiring as it now does the appraising officer to find the market value of articles at the time and place of exportation, and at the same time directing them to find such value in a condition in which the articles are not sold at that time and place, or at any time or place, presents difficulties which call for an amendment of the law. At present every advantage is offered to the unscrupulous and every disadvantage to the conscientious importer.

As affording a full statement of the defective character of the legislation contained in section 7 of the tariff act of 1883, the following extracts from a letter of Special Agents Tingle and Tichenor to the Secretary of the Treasury under date of November 4, 1886 (see vol. 2, report of the Secretary on the collection of duties for 1886, pp. 139 to 144):

* * * * *

(1) Whether customs administration is feasible in respect to the coverings of imported goods under the law as expounded by the Attorney-General (S. S. 7766, 7781).

Upon the first proposition the officers consulted substantially concurred in the opinion that it is *not* feasible to administer the law as construed by the Attorney-General—that is to say, to appraise and classify merchandise in accordance with the ruling which requires appraisers to ascertain and appraise the actual market value of the merchandise *per se*, divested of all coverings and of all costs for folding, packing, ticketing, papering, cartons, boxes, etc., all of which are incident to and part of the cost of putting the merchandise into the condition in which it is bought and sold. In most cases merchandise is never bought and sold in its naked condition. Its market value *per se*, as now construed, can not, therefore, be ascertained, because it has no market value in that condition. The best the appraiser can do is to seek to ascertain the cost of the various processes and items necessary to place the goods *per se* in marketable condition and deduct such cost from the value of the goods as bought and sold. To do this is practically impossible in most cases, and therefore recourse is had to arbitrary methods and estimates, adopted by each examiner or appraiser, which are naturally different at different ports. To obtain uniform bases for such estimates is impracticable, because the cost of putting goods into marketable condition varies in every locality and with every manufacturer. The result is that two importers will often pay a different amount of duty upon goods of precisely the same character and value, imported at the same time from the same place. The method and cost of preparing and putting up may be and often is different as to the same goods sold to different buyers. They also vary at different seasons for the same buyers. Goods, such as gloves, handkerchiefs, hosiery, and various other articles, are

frequently put up in expensive ornamental cartons or boxes costing more than the merchandise they contain. The covering is intended to make the article attractive and salable, and the gross price for the whole constitutes the value of the thing bought and sold. At the same time goods of the same character and value may be put up in cartons costing a mere trifle, and yet the merchandise pays the same duty as in the previous case, although costing but half as much.

The law, as interpreted by the Attorney-General and the courts, has added infinitely to the difficulties of the appraising officers, and has multiplied the inconsistencies and inequalities of the tariff to such an extent that regularity and uniformity in administration are impossible.

It reduces the duties collected upon almost all imported merchandise subject to rates based upon value, but in irregular, variable, and eccentric ways, the largest reductions being often upon goods dutiable at the lower rates. For instance, upon dress silks, dutiable at 50 per cent, the reduction in value for coverings would be not more than 1 per cent, while upon blacking, dutiable at 25 per cent, the reductions allowed for coverings would be from 50 to 75 per cent of the total value. In the one case 49½ per cent duty is collected, and in the other from 6¼ to 12½ per cent duty is collected upon the value of the article as actually purchased.

The reduction is not uniform throughout the tariff schedules, nor is it uniform as to the same goods included in the same schedule. It may be said that owing to the unknown and uncertain conditions attaching to every invoice no two importers pay the same duty upon the same article. An appraiser passing regularly the same goods may endeavor to make his own action uniform in this regard, but there can be no uniformity among all the appraisers at the several ports.

When the appraising officer is deprived of the fundamental guide in appraisements, viz, the value of the goods in the condition in which they are bought and sold, he is at sea without chart or compass. Under present instructions, in order to determine the value of what are called the goods *per se*, he is required to find the value of non-dutiable items which have no market value apart from the goods to which they belong and of which they are a part, which value can not therefore be ascertained by any satisfactory method. * * *

All of the officers concurred in the view that the best plan to simplify administration and to do justice to all concerned would be to assess duty upon the value of merchandise in the precise condition in which it is put on board the vessel for exportation to the United States, including all costs and expenses of placing it in that condition. * * *

Experience and investigation have led to the conclusion that the only just, certain, and simple basis for dutiable value is the merchandise in the complete and packed condition in which it is presented to the eye of the appraising officer, and this is what the proposed section is intended to accomplish. While adopting this principle, the section does not restore as dutiable items the charges for inland transportation, shipment and transshipment, commissions, brokerage, insurance, export duties, etc., provided in sections 2907 and 2908, Revised Statutes, which the act of 1883 repealed, and which have been deemed unnecessary and objectionable. It also omits the provision for penal duty of 100 per cent on coverings, in certain cases provided by section 7 of the act of 1883, but subjects unusual coverings in such cases to the duty only to which they would be liable if imported separately.

Section 17 is as follows:

SEC. 17. That in all suits or informations brought, where any seizure has been made pursuant to any act providing for or regulating the collection of duties on imports or tonnage, if the property is claimed by any person, the burden of proof shall lie upon such claimant: *Provided*, That probable cause is shown for such prosecution, to be judged of by the court.

This section is intended to take the place of section 16 of the act entitled "An act to amend the customs revenue laws and to repeal

moieties," approved June 22, 1874, and to practically restore section 909 of the Revised Statutes, which section is derived from section 71 of the act of 1799 (1 Stat. L., p. 678), as follows:

[Act of Mar. 2, 1799.]

SEC. 71. *And be it further enacted*, That if any officer or other person executing or aiding or assisting in the seizure of goods shall be sued or molested for anything done in virtue of the powers given him by this act, or by virtue of a warrant granted by any judge or justice, pursuant to law, such officer or other person may plead the general issue, and give this act and the special matter in evidence; and if in such suit the plaintiff is nonsuited, or judgment passed against him, the defendant shall recover double costs; and in actions, suits, or informations to be brought, where any seizure shall be made pursuant to this act, if the property be claimed by any person, in every such case the *onus probandi* shall lie upon such claimant. And if any person shall forcibly resist, prevent, or impede any officer of the customs or their deputies, or any person assisting them, in the execution of their duty, such person so offending shall for every such offense be fined in a sum not exceeding four hundred dollars. And if any master, or other person having the charge or command of any ship or vessel coming into or arriving at any port or place within the United States, shall obstruct or hinder, or shall be the cause or means of any obstruction or hindrance with such an intent, to any officer of the customs or revenue, in going on board such ship or vessel for the purpose of carrying into effect any of the revenue laws of the United States, he shall forfeit for every such offense a sum not exceeding five hundred dollars, nor less than fifty dollars; but the *onus probandi* shall lie on the claimant only where probable cause is shown for such prosecution, to be judged of by the court before whom the prosecution is had. (1 Stat. L., p. 678.)

[Revised Statutes, sec. 909.]

SEC. 909. In suits or informations brought, where any seizure is made pursuant to any act providing for or regulating the collection of duties on imports or tonnage, if the property is claimed by any person, the burden of proof shall lie upon such claimant: *Provided*, That probable cause is shown for such prosecution, to be judged of by the court. (Page 172.)

[Antimoietty act, June 22, 1874.]

SEC. 16. That in all actions, suits, and proceedings in any court of the United States now pending or hereafter commenced or prosecuted to enforce or declare the forfeiture of any goods, wares, or merchandise, or to recover the value thereof, or any other sum alleged to be forfeited by reason of any violation of the provisions of the customs revenue laws, or any of such provisions, in which action, suit, or proceeding an issue or issues of fact shall have been joined, it shall be the duty of the court, on the trial thereof, to submit to the jury, as a distinct and separate proposition, whether the alleged acts were done with an actual intention to defraud the United States, and to require upon such proposition a special finding by such jury, or if such issues be tried by the court without a jury, it shall be the duty of the court to pass upon and decide such proposition as a distinct and separate finding of fact, and in such cases, unless intent to defraud shall be so found, no fine, penalty, or forfeiture shall be imposed. (18 Stats. L., p. 189.)

The seventy-first section of the act of 1799 continued in force through all the mutations and changes of custom laws until the act of 1874 was passed, and at various times has been interpreted by the courts. These interpretations are set forth in a letter written by Judge Blatchford to Secretary Manning, and found on page 869 of the Finance Report for 1885, vol. 2.

In the administration of the law since 1874 it has been found impossible to secure forfeitures in any case, as under that section a special finding of fraudulent intent is necessary.

Section 18 is as follows:

SEC. 18. That all fees exacted and oaths administered by officers of the customs, except as provided in this act, under or by virtue of existing laws of the United States, upon the entry of imported goods and the passing thereof through the customs, and also upon all entries of domestic goods, wares, and merchandise for exportation, be, and the same are hereby, abolished; and in case of entry of merchandise for exportation, a declaration, in lieu of an oath, shall be filed, in such form and under such regulations as may be prescribed by the Secretary of the Treasury; and the penalties provided in the fifth section of this act for false statements in such declaration shall be applicable to declarations made under this section: *Provided*, That where such fees, under existing laws, constitute, in whole or in part, the compensation of any officer, such officer shall receive, from and after the passage of this act, a fixed sum for each year equal to the amount which he would have been entitled to receive as fees for such services during said year.

It is proposed by this section to abolish fees now collected upon entry of merchandise either for importation or exportation. The necessity for custom-house fees no longer exists. They were originally authorized to secure compensation to the collectors of customs, who were allowed only a nominal salary, and were required to be paid for their services and to defray the expenses of clerk hire in their offices out of fees received. Repeated changes in the laws have so reduced the amount of these fees that they are now insufficient to defray these expenses, and the deficiency is now made up from the appropriation for collecting the revenue from customs. The amount of such fees collected and accounted for at the large ports, where collectors are compensated by salaries in lieu of all fees, was for the last fiscal year, as shown by the report of the Secretary, \$144,817.53. That collected at other ports and retained as official compensation amounts to probably not more than \$100,000 per annum, a large reduction having been made recently in such fees by the provisions of the shipping act relieving American vessels from such fees. An amount equal to the fees so abolished is, however, paid to collectors from the Treasury under the shipping act, and the proviso in the proposed section makes the same regulation as to the compensation of collectors under this act.

The collection of custom-house fees, particularly at the large ports, is expensive, causes inconvenience and annoyance to the public, and has given rise to irregularities. These fees are not needed by the Government, and constitute a useless and obnoxious tax. This section also abolishes custom-house oaths. These provisions have had the approval of several Secretaries of the Treasury and will doubtless be welcomed with satisfaction by the interests affected.

Section 19 is as follows:

SEC. 19. That no allowance for damage to goods, wares, and merchandise imported into the United States shall hereafter be made in the estimation and liquidation of duties thereon; but the importer thereof may, within ten days after entry, abandon to the Government all or any portion of goods, wares, and merchandise included in any invoice, and be relieved from the payment of the duties on the portion so abandoned: *Provided*, That the portion so abandoned shall amount to ten per centum or over of the total value or quantity of the invoice.

The purpose of this section is to abolish damage allowances on imported goods, now authorized by section 2927 of the Revised Statutes, which is taken from section 52 of the act of March 2, 1799. (Vol. 1, Stats. at Large, p. 665.)

SEC. 52. *And be it further enacted*, That all goods, wares, and merchandise of which entry shall have been made incomplete, or without the specifications of particulars, either for want of the original invoice or invoices, or for any other cause, or which shall have received damage during the voyage, to be ascertained by the proper officers of the port or district in which the said goods, wares, or merchandise shall arrive, shall be conveyed to some warehouse or storehouse, to be designated by the collector, in the parcels or packages containing the same, there to remain with due and reasonable care, at the expense and risk of the owner or consignee, under the care of some proper officer, until the particulars, cost, or value, as the case may require, shall have been ascertained either by the exhibition of the original invoice or invoices thereof, or by appraisement at the option of the owner, importer, or consignee, in manner hereafter provided, and until the duties thereon shall have been paid, or secured to be paid, and a permit granted by the collector for the delivery thereof. And for the appraisement of goods, wares, and merchandise not accompanied with the original invoice of their cost, or to ascertain the damage thereon received during the voyage, it shall be lawful for the collector, and upon the request of the party he is required to appoint one merchant, and the owner, importer, or consignee to appoint another, who shall appraise or value the said goods, wares, and merchandise accordingly, which appraisement shall be subscribed by the parties making the same, and be verified on oath or affirmation before the said collector; which oath or affirmation shall be in the form following, to wit:

[Here follows form of oath.]

And in respect to articles that have been damaged during the voyage, as aforesaid, whether subject to a duty ad valorem or which are chargeable with specific duty, either by number, weight, or measure, the appraisers as aforesaid shall in like manner ascertain and certify to what rate or percentage the said goods, wares, or merchandise are damaged, and the rate or percentage of damage so ascertained and certified shall be deducted from the original amount, subject to a duty ad valorem, or from the actual or original number, weight, or measure on which specific duties would have been computed: *Provided*, That no allowance for the damage on any goods, wares, and merchandise that have been entered, and on which the duties have been paid or secured to be paid, and for which a permit has been granted to the owner or consignee thereof, and which may on examining the same prove to be damaged, shall be made, unless proof to ascertain such damage shall be lodged in the custom-house of the port or place where such goods, wares, or merchandise have been landed, within ten days after the landing of such merchandise. And every person who shall be appointed to ascertain the damage during the voyage of any goods, wares, or merchandise shall take and subscribe an oath or affirmation in the following form, to wit:

[Here follows form of oath.]

[Revised Statutes, Sec. 2927.]

SEC. 2927. In respect to articles that have been damaged during the voyage, whether subject to a duty ad valorem or chargeable with a specific duty, either by number, weight, or measure, the appraisers shall ascertain and certify to what rate or percentage the merchandise is damaged, and the rate or percentage of damage, so ascertained and certified, shall be deducted from the original amount, subject to a duty ad valorem, or from the actual or original number, weight, or measure, on which specific duties would have been computed. No allowance, however, for the damage on any merchandise that has been entered, and on which the duties have been paid or secured to be paid, and for which a permit has been granted to the owner or consignee thereof, and which may, on examining the same, prove to be damaged, shall be made, unless proof to ascertain such damage shall be lodged in the custom-house of the port where such merchandise has been landed within ten days after the landing of such merchandise. (Page 566.)

The committee made an extended investigation of this question of damage allowances, and although the testimony was somewhat conflicting the general judgment of merchants seemed to be that it was

safer to abolish all damage allowances rather than to continue the evils which result from the present system.

The committee, instead of recommending the total abolition, have provided in this section that no allowance for damage shall hereafter be made in the estimation and liquidation of duties, but that the importer may abandon to the Government such portion of the merchandise damaged, provided such portion amounts to 10 per cent of the whole entry. No harm would result from this, as the importer could amply protect himself by insurance at a very slight cost, and in case of actual damage, by abandonment as provided by section 19 of this bill.

Section 20 is as follows:

SEC. 20. That whenever it shall be shown to the satisfaction of the Secretary of the Treasury that, in any case of unascertained or estimated duties, more money has been paid to or deposited with a collector of customs than as has been ascertained by final liquidation thereof the law required to be paid or deposited, the Secretary of the Treasury shall direct the Treasurer to refund and pay the same out of any money in the Treasury not otherwise appropriated. The necessary moneys therefor are hereby appropriated, and this appropriation shall be deemed a permanent indefinite appropriation; and the Secretary of the Treasury is hereby authorized to correct manifest clerical errors in any entry or liquidation, whether for or against the Government, at any time within one year of the date of such entry, but not afterwards.

This section is a modification of sections 3012½ and 3013 of the Revised Statutes, the changes made being only such as become necessary to conform the law with respect to the refund of overpayments to the provisions of sections 12, 13, and 14 of the present bill. With this exception, it changes in no respect the existing modes of refund in cases of overpayment.

[Revised Statutes, secs. 3012½, 3013.]

SEC. 3012½. Whenever it shall be shown to the satisfaction of the Secretary of the Treasury that, in any case of unascertained duties, or duties or other moneys paid under protest and appeal, as hereinbefore provided, more money has been paid to the collector, or person acting as such, than the law requires should have been paid, the Secretary of the Treasury shall draw his warrant upon the Treasurer in favor of the person entitled to the overpayment, directing the Treasurer in favor of the person entitled to the overpayment, directing wise appropriated.

SEC. 3013. Whenever it shall be shown to the satisfaction of the Secretary of the Treasury that more moneys have been paid to the collector of customs, or others acting as such, than the law requires, and the party has failed to comply with the requirements relating to appeals to the Secretary of the Treasury, and the Secretary of the Treasury shall be satisfied that such noncompliance with the requirements as above stated was owing to circumstances beyond the control of the importer, consignee, or agent making such payments, he may draw his warrant upon the Treasurer in favor of the person entitled to the overpayment, directing the Treasurer to refund the same out of any money in the Treasury not otherwise appropriated. (Page 580.)

Section 21 is as follows:

SEC. 21. That from and after the taking effect of this act, no collector or other officer of the customs shall be in any way liable to any owner, importer, consignee, or agent of any merchandise, or any other person, for or on account of any rulings or decisions as to the classification of said merchandise or the duties charged thereon, or the collection of any dues, charges, or duties on or on account of said merchandise, or any other matter or thing as to which said owner, importer, consignee, or agent of such merchandise might, under this act, be entitled to appeal from the decision of said collector or other officer, or from any board of appraisers provided for in this act.

This section is intended to relieve collectors and other officers of the customs from suits as respects any matter or thing wherein the owner, importer, consignee, or agent is authorized to appeal from any decision provided for in this act.

Having provided a complete remedy by sections 12, 13, and 14 for every case that can arise upon the importation of goods, it is thought wise by the committee to insert this section, so that where such appeal is authorized no other remedy shall be allowed.

Sections 22 and 23 are as follows:

SEC. 22. That any person who shall give, or offer to give, or promise to give any money or thing of value, directly or indirectly, to any customs officer, in consideration of or for any act or omission contrary to law in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage, or of the liquidation of the entry thereof, shall, on conviction thereof, be fined not exceeding two thousand dollars, or be imprisoned at hard labor not more than one year, or both, in the discretion of the court; and evidence of such giving, or offering, or promising to give, satisfactory to the court in which such trial is had, shall be regarded as *prima facie* evidence that such giving, or offering, or promising was contrary to law, and shall put upon the accused the burden of proving that such act was innocent, and not done with an unlawful intention.

SEC. 23. That any officer or servant of the customs or of the United States who shall, excepting for lawful duties or fees demand, exact, or receive from any person, directly, or indirectly any money or thing of value, in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage or liquidation of the entry thereof, on conviction thereof shall be fined not exceeding five thousand dollars, or be imprisoned at hard labor not more than two years, or both, in the discretion of the court. And evidence of such demanding, exacting, or receiving, satisfactory to the court in which such trial is had, shall be regarded as *prima facie* evidence that such demanding, exacting, or receiving was contrary to law, and shall put upon the accused the burden of proving that such act was innocent and not with an unlawful intention.

These sections are directed against abuses, especially at the port of New York, in connection with the examination of passengers' baggage arriving from abroad. The existing provisions of law upon this subject, sections 5451, 5452, 5501, 5502, Revised Statutes, have been found in practice inadequate to meet such cases. This additional legislation is advisable to protect alike importers and the Government from unlawful exactions and to insure the punishment of those who may be guilty of corrupt practices in the administration of the customs laws.

Section 24 is as follows:

SEC. 24. That sections twenty-eight hundred and eight, twenty-eight hundred and thirty-eight, twenty-eight hundred and thirty-nine, twenty-eight hundred and forty-one, twenty-eight hundred and forty-three, twenty-eight hundred and forty-four, twenty-eight hundred and forty-five, twenty-eight hundred and fifty-three, twenty-eight hundred and fifty-four, twenty-eight hundred and fifty-six, twenty-eight hundred and fifty-eight, twenty-eight hundred and sixty, twenty-nine hundred, twenty-nine hundred and two, twenty-nine hundred and five, twenty-nine hundred and seven, twenty-nine hundred and eight, twenty-nine hundred and nine, twenty-nine hundred and twenty-nine, twenty-nine hundred and thirty, twenty-nine hundred and thirty-one, twenty-nine hundred and thirty-two, twenty-nine hundred and forty-three, twenty-nine hundred and forty-five, twenty-nine hundred and fifty-two, three thousand and eleven, three thousand and twelve, three thousand and twelve and one-half, three thousand and thirteen, three thousand and ninety, of the Revised Statutes of the United States; and sections nine, ten, eleven, twelve, fourteen, and sixteen of an act entitled "An act to amend the customs-revenue laws and to repeal moiety," approved June twenty-second, eighteen hundred and seventy-four; all of the act entitled "An act restricting the refunding of customs duties and prescribing certain regulations of the Treasury Department," approved March third,

eighteen hundred and seventy-five, and sections seven, eight, and nine of the act entitled "An act to reduce internal revenue taxation, and for other purposes," approved March third, eighteen hundred and eighty-three, and all other acts and parts of acts inconsistent with the provisions of this act are hereby repealed, but such repeal shall not affect pending actions or causes of action which have already accrued.

And is a repealing section, intended to repeal all laws or parts of laws inconsistent with the proposed act, reserving and saving all existing rights and all actions or causes of action which have already accrued. Your committee, as far as practicable, have gathered into this section all the specific statutes on the subject treated of in this bill; but as other statutes may be more or less affected, a general repealing clause has been inserted.

The proposed bill is submitted to the Senate for its consideration as the best solution of the difficulties complained of by importers and others as respects existing laws regulating the importation of foreign merchandise.

McKINLEY REPORT, 1890.

[House Report No. 1466, 51st Congress, 1st session.]

TO REDUCE THE REVENUE AND EQUALIZE DUTIES ON IMPORTS, AND FOR OTHER PURPOSES.

APRIL 16, 1890.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

APRIL 21, 1890.—Twenty-five thousand copies ordered to be printed.

Mr. McKINLEY, from the Committee on Ways and Means, submitted the following report (to accompany H. R. 9416):

The Committee on Ways and Means, to whom was referred that part of the message of the President of the United States relating to public revenues, have carefully considered the subject, and report back the accompanying bill with a favorable recommendation.

We are advised from the annual report of the Secretary of the Treasury that the ordinary revenues of the Government, actual and estimated, for the fiscal year ending June 30, 1890, will be \$385,000,000, and that the expenditures for the same period, actual and estimated, will be \$293,000,000, leaving a surplus of \$92,000,000.

The estimated amount required for the sinking fund will be \$48,321,116.99, leaving an estimated net surplus of \$43,678,883.01.

The excess of revenues over expenses estimated for the fiscal year ending June 30, 1891, we are advised from the same source, will amount to \$43,569,522.30, which with the amount of cash now on hand and available, reaching nearly \$90,000,000, the committee believe will justify a reduction of the revenue in the sum contemplated by this bill.

The exact effect upon the revenues of the Government of the proposed bill is difficult of ascertainment. That there will be a substantial reduction, as we shall show, admits of no doubt. It is not believed that the increase of duties upon wools and woollen goods, and upon glassware, will have the effect of increasing the revenues. That would, of course, follow if the importations of the last fiscal year were hereafter to be maintained, which, however, is altogether improbable. The result will be that importations will be decreased, and therefore the amount of revenue collected from these sources will be diminished.

In every case of increased duty except that imposed upon tin plate (which does not go into effect until July 1, 1891) and upon linen fabrics the effect will be to reduce rather than enlarge the revenues, because importations will fall off. It was the aim of the committee to fix the duties upon that class of manufactured goods and farm products which can be supplied at home so as to discourage the use of like foreign goods and products, and secure to our own people and our own producers the home market, believing that competition

among ourselves will secure reasonable prices to consumers in the future as it has invariably done in the past.

We seek by the increased duties recommended not only to maintain but to enlarge our own manufacturing plants and check those supplies from abroad which can be profitably produced at home. The general policy of the bill is to foster and promote American production and diversification of American industry.

We have not been so much concerned about the prices of the articles we consume as we have been to encourage a system of home production which shall give fair remuneration to domestic producers and fair wages to American workmen, and by increased production and home competition insure fair prices to consumers.

Every reduction of duty below the point where our producers can compete under existing conditions with the foreign product involves a reduction of the cost of production at home if we would retain the home market, and while temporarily resulting in a cheapening of prices, will limit the volume of home production, if not destroy it, or reduce the wages of labor to or below the European level. Either is a calamity which the proposed legislation seeks to avert.

The committee will admit that free trade or revenue duties would temporarily diminish the cost of products consumed by the people, but it would be so only because the foreign product at a lower price would force down the home product or displace it altogether, and if the latter then prices would at once advance to the consumers, as experience has demonstrated, who would be without relief against the exactions of foreign syndicates and foreign manufacturers. We would have to give up a considerable part of our own production that we might for a brief time enjoy the cheaper products of other countries and their products produced by a cheaper labor than our own, or reduce every element of cost, including labor, to the foreign standard.

Cheaper products from abroad to the American consumers mean cheaper labor at home and lower rewards to the domestic producer, with no permanent benefits to the consumer. Neither condition would prove a blessing to the United States; neither would be welcomed by the laborer, the manufacturer, or the agriculturist, and both should be firmly resisted. Those who advocate duties for revenue solely see only as a result of their theory cheaper prices of wares and merchandise, and are blind to the other necessary effect, that of lower wages and cheaper men. That country is the least prosperous where low prices and low wages prevail. One of the chief complaints now prevalent among our farmers is that they can get no price for their crops at all commensurate to the labor and capital invested in their production. Those who differ from us must believe that even further agricultural depression is desirable, for no other consequence can result from their economic theories. They advocate cheap prices as the chief object of the industrial policy they commend to the country. This means permanently low prices for agricultural products as well as for manufactured goods.

Your committee have not sought by the proposed legislation to further cut down prices at the expense of our own prosperity, but to provide with certainty against that increasing competition from other countries whose conditions our people are unwilling to adopt. We

have not believed that our people, already suffering from low prices, can or will be satisfied with legislation which will result in lower prices. No country ever suffered when prices were fairly remunerative in every field of labor, and it has been the purpose of the committee to so adjust duties upon competing foreign products as to save our people from ruinous competition abroad.

This bill is framed in the interest of the people of the United States. It is for the better defense of American homes and American industries. While securing the needed revenue, its provisions look alike to the occupations of our own people, their comfort, and their welfare; to the successful prosecution of industrial enterprises already started, and to the opening of new lines of production where our conditions and resources will admit.

Ample revenues for the wants of the Government are provided by this bill, and every reasonable encouragement is given to productive enterprises and to the labor employed therein. The aim has been to impose duties upon such foreign products as compete with our own, whether of the soil or the shop, and to enlarge the free list wherever this can be done without injury to any American industry, or wherever an existing home industry can be helped without detriment to another industry which is equally worthy of the protecting care of the Government.

The committee believe that, inasmuch as nearly \$400,000,000 are annually required to meet the expenses of the Government, it is wiser to tax those foreign products which seek a market here in competition with our own than to tax our domestic products or the noncompeting foreign products.

The committee, responding as it believes to the sentiment of the country and the recommendations of the President, submit what they consider to be a just and equitable revision of the tariff, which, while preserving that measure of protection which is required for our industrial independence, will secure a reduction of the revenue both from customs and internal-revenue sources.

We have not looked alone to a reduction of the revenue, but have kept steadily in view the interests of our producing classes, and have been ever mindful of that which is due to our political conditions, our labor, and the character of our citizenship. We have realized that a reduction of duties below the difference between the cost of labor and production in competing countries and our own would result either in the abandonment of much of our manufacturing here or in the depression of our labor. Either result would bring disaster the extent of which no one can measure.

We have recommended no duty above the point of difference between the normal cost of production here, including labor, and the cost of like production in the countries which seek our markets, nor have we hesitated to give this measure of duty even though it involved an increase over present rates and showed an advance of percentages and ad valorem equivalents. We have not sought to make a uniform rate of duty upon all imported articles. This would have been manifestly unjust and inequitable. We possess advantages in some branches of production which offset the necessity for the highest duties, and these have been fully recognized in the arrangement and adjustment of rates.

The labor cost of any two manufactured products which may be mentioned is not the same, one being largely the product of machinery and the other largely the product of hand labor, and therefore, while one product requires one rate of duty for protection, another product may require another and different one to afford equal protection. We have sought to look at the conditions of each industry at home and its relation to foreign competition, and provide for that duty which would be adequate in each case.

The recommendations of the President in his annual message upon the subject of the revision of the tariff are sensible and patriotic and are given herewith:

I recommend a revision of our tariff law both in its administrative features and in the schedules. The need of the former is generally conceded, and an agreement upon the evils and inconveniences to be remedied and the best methods for their correction will probably not be difficult. Uniformity of valuation at all our ports is essential, and effective measures should be taken to secure it. It is equally desirable that questions affecting rates and classifications should be promptly decided.

The preparation of a new schedule of customs duties is a matter of great delicacy, because of its direct effect upon the business of the country and of great difficulty by reason of the wide divergence of opinion as to the objects that may properly be promoted by such legislation. Some disturbance of business may perhaps result from the consideration of this subject by Congress, but this temporary ill effect will be reduced to the minimum by prompt action and by the assurance which the country already enjoys that any necessary changes will be so made as not to impair the just and reasonable protection of our home industries. The inequalities of the law should be adjusted, but the protective principle should be maintained and fairly applied to the products of our farms as well as of our shops. These duties necessarily have relation to other things besides the public revenues. We can not limit their effects by fixing our eyes on the Public Treasury alone. They have a direct relation to home production, to work, to wages, and to the commercial independence of our country, and the wise and patriotic legislator should enlarge the field of his vision to include all of these.

The necessary reduction in our public revenues can, I am sure, be made without making the smaller burden more onerous than the larger by reason of the disabilities and limitations which the process of reduction puts upon both capital and labor. The free list can very safely be extended by placing thereon articles that do not offer injurious competition to such domestic products as our home labor can supply.

The committee have already reported and the House passed a bill for the revision of the administrative features of the customs law which will remedy many of the evils and inconveniences now existing.

For the purpose of convenient reference each distinct paragraph in the schedules of the bill is numbered.

This has been done heretofore in the editions of the tariff issued by the Treasury Department, but has not had legislative sanction.

GENERAL PROVISIONS.

The present provision in the free list for "articles imported for the use of the United States, provided that the price of the same did not include the duty," is omitted in the proposed revision.

It has been productive of fraud and has resulted in other serious abuses. Persons having contracts with the United States, under color of the law, have fraudulently imported large quantities of material for sale with a resulting loss to the revenue.

The provision also works injury to our own people by inviting foreign competition in the matter of Government contracts. The remission of duty in such cases is in effect a premium offered the foreigner to compete with the honest importer who pays duty, as also with the domestic producer. It is unwise to remit duties when the money goes neither into the Public Treasury nor the pockets of our own people, but to enrich their foreign competitors. The Government ought not to buy abroad what it can buy at home. Nor should it be exempted from the laws it imposes upon its citizens. The United States gains nothing while the citizen loses by this provision. These considerations, it is believed, warrant the proposed change.

It is proposed to limit the exemption from duty of wearing apparel and other personal effects of persons arriving in the United States to the value of \$500 in each case. Under existing law no limit is imposed as to amount, and grave abuses have resulted. People of wealth visiting foreign countries on their return are permitted to, and do, bring in under the law, as now construed by the courts, many thousand dollars worth of wearing apparel and personal effects, purchased abroad for future use.

Persons who can afford to go abroad and make such purchases ought not to be allowed the privilege of their free importation. They should not, because of exceptional wealth, be accorded advantages forbidden to the average citizen. The proposed limit of \$500 is ample for their comfort and convenience, and it is believed that this restriction will check the existing practice, which is not only hurtful to the revenue but injurious and unjust to importers and domestic manufacturers of such articles.

Section 11 is a proposed amendment of section 2491, Revised Statutes. As the law now stands the provision for the forfeiture of obscene articles and articles of an immoral nature includes the forfeiture of all articles inclosed in the same package or covered by the same invoice with the unlawful article. This occasions hardship in numerous cases where shippers, without the knowledge of the importer, inclose in the same package with lawful articles ordered of them books or other articles, often of trifling value, in violation of the law. It is recommended, therefore, that the law be so amended as to provide for the entry and delivery, on payment of duty of proper articles, although covered by the same invoice and inclosed in the same package with forfeitable articles, whenever it is shown to the satisfaction of the Secretary of the Treasury that the importer is innocent of any intention to violate the law.

Section 17 is a modification of section 2496, Revised Statutes. The present section provides that articles in violation of registered trademark shall not be admitted to entry. It does not prohibit their importation or prescribe their forfeiture, and the result is that such goods can only be taken possession of by the collector as unclaimed, retained the required length of time, and sold, which course seems their distribution in this country in direct contravention of the intent of the statute. The domestic interests sought to be protected are thus compelled to buy them up in order to protect themselves. It is proposed by this amendment to admit such articles to entry for exportation only within three months of their importation; otherwise that they be forfeited.

Section 21 is proposed as a substitute for section 2499, Revised Statutes, as modified by section 6 of the act of March 3, 1883. The reasons for the proposed change are fully set forth in the report of this committee on House bill 4970 of the present session, and are here repeated. Its purpose is to furnish the classifying officers with a plain and certain rule for the classification of merchandise not enumerated or definitely provided for in the tariff schedules, and which, by reason of the fact that such merchandise may assimilate to or be a substitute for articles so enumerated or provided for, should logically be classified accordingly, rather than under section 2516, Revised Statutes (2513 of section 6, act of March 3, 1883).

In the progress of the arts and manufactures new processes and discoveries are constantly made, resulting in articles not named or provided for in the tariff, but which answer the uses of those named or provided for. Then again the ingenuity of man is invoked to make articles in new forms and in new names, in order to take them out of their proper classification and secure their admission at a lower rate of duty. In *Stewart v. Maxwell* (16 How., 150) the court, referring to this law, said:

By providing for the principal things it has provided for all other things which the law declares to be the same. It is only upon this ground that sheer and manifest evasion can be reached. Suppose an article is designedly made to serve the uses and take the place of some article described, but some trifling or colorable change is made in the fabric or some of its incidents. It is new in the market; no man can say that he has ever seen it before. But it is substantially like a known article which is provided for. The law of 1812 then declares that it shall be deemed the same and to be charged accordingly. The effect of this is to hold that such an article is provided for under the name of what it resembles.

In such cases it is but fair that it should pay the same duty as the article which it displaces and of which it is the commercial equivalent.

Embarrassments in administration have arisen owing to differences of opinion as to the meaning and proper application of some of the provisions of section 2499, and no definite or satisfactory rule as to their application has been established either by the courts or the Treasury Department. This has led to differences of construction and of classification at the various ports and to much litigation. Some customs officers have held that such articles only as are specifically named are "enumerated," whilst others hold that if an article falls within any specific or residuary provision of any of the schedules, by reason of its condition or component material, it is enumerated. The latter is believed to be a reasonable rule of construction as fairly indicating the legislative intent, and is sought to be enforced by this section.

Secretary Folger, in a letter dated February 27, 1884, to the chairman of the Committee of Ways and Means of the House, invited the attention of Congress to the need of some simplification or legislative definition of the existing law (section 2499). (See p. 6, Appendix to Report of the Secretary of the Treasury on the collection of duties, 1886.)

In a letter dated March 29, 1886 (Id., p. 42) Acting Secretary Fairchild recommended a substitute for the present law, the purpose

of which was explained in his letter to Mr. Hewitt, dated February 22, 1886 (Id., p. 49), as follows:

This section is a reproduction, in substance, of the so-called similitude section of the present law, with the addition of a clause explaining the meaning of the phrase "component material of chief value," and prescribing a rule whereby the same is to be determined. The absence of such a rule heretofore has been fruitful of difficulties in administration and has led to litigation. The effect of this amendment can not be foreseen, but it is thought that its tendency will be to prevent the evasion of lawful duties.

The section thus recommended was incorporated in the Hewitt bill and also in the bill which passed the House at the first session of the Fiftieth Congress.

In his annual report for 1887 Secretary Fairchild said:

What is meant by "the component material of chief value" should be made clear and the other provisions of the similitude clause should be more distinctly defined.

Section 16: It has been claimed that certain articles manufactured in bonded warehouses, wholly or in part of nonduty paid imported material and exported, may be returned free of duty as the manufacture of the United States, except the tax imposed by the internal-revenue laws. In such case the dutiable materials of the manufacture would finally gain admission free of duty. It is therefore proposed to reenact section 2500, Revised Statutes, with an amendment imposing the same rate of duty that would have attached to the materials had they gone into consumption in the first instance. The wisdom of the amendment is obvious.

The admitted superiority of certain lines of American goods has induced the importation of foreign imitations of inferior quality, with American brands, to be put on our market as the superior goods of American manufacture. Inferior goods, the manufacture of one country, have also been imported and sold bearing the marks of the superior manufactures of established reputation of another country. A practice has also grown up of importing goods under invoices authenticated in a country other, and in a currency of less value, than of the country of manufacture.

Section 23 forbids entry to merchandise not plainly marked, stamped, branded, or labeled with the name of the country in which it is manufactured, with the purpose of protecting both our own people from the imposition of inferior goods and the revenue from possible loss through undervaluation.

The purpose of section 20 appears from the section itself. It provides that metals in crude forms requiring smelting or refining to make them readily available in the arts may be imported without payment of duty for refining in certain manufactories designated as bonded warehouses under regulation prescribed by the Secretary of the Treasury, and to be exported in a refined but unmanufactured state. It is in effect extending the privilege allowed for the manufacture of certain articles in bonded warehouses under existing laws. In the opinion of customs officials the privilege may be granted in safety to the revenue, and as it is manifestly in the interests of home industries and labor it is recommended.

Section 9 is a proposed amendment of section 3433, Revised Statutes. Under this section medicines, preparations, compositions, perfumery, cosmetics, cordials, and other liquors manufactured wholly or

in part of domestic spirits intended for exportation, may be manufactured in certain bonded warehouses under regulations to be prescribed by the Secretary of the Treasury.

Provision is also made for admission into the warehouses of materials to be used in such manufactures which are allowed by provisions of law to be exported free from tax or duty, "as well as the necessary materials, implements, packages, vessels, brands, and labels for the preparation, putting up, and export of said manufactured articles." It has been held that such "necessary material, implements, packages, vessels, brands, and labels, if imported, may be used in the warehouses and exported without payment of duty." If such was the intent of the law, which may be doubted, it is a manifest discrimination against the home producer of such materials and articles. To set the matter at rest an amendment is recommended by inserting the following paragraph: "But such necessary materials, implements, packages, vessels, brands, and labels, if dutiable, shall be deemed to have entered into consumption, and shall not be exempt from duty by reason of such use."

Section 24 provides for a uniform rate of drawback on articles exported, manufactured of articles on which duty has been paid, of the amount paid less 1 per cent for expenses. Heretofore the rate has varied on different articles. In some cases the entire duty has been refunded and in others the duty less 10 per cent. The Government ought to be reimbursed the expenses involved in the transaction and it is believed this will be done by the retention of 1 per cent.

If crude opium be put on the free list as is proposed, it is presumed that opium will be manufactured in the United States for smoking purposes. Sections 34 to 38, inclusive, contemplate such manufacture and provide for an internal tax thereon with necessary safeguards. These sections have received the approval of the Treasury Department, and it is believed they will afford ample means for the protection of the revenue.

The proposed sections 3, 5, 6, 7, 8, 10, 11, 14, 15, 16, 17, 18, 21, and 22, with slight modifications, conform to sections of the Revised Statutes which were enacted in the act of March 3, 1883. The reason of their reproduction here is that new numbers were substituted and slight changes made by the act of 1883; and as they all pertain to the tariff it is thought that orderly arrangement requires their reenactment in this form in a general revision of the tariff.

CHEMICALS.

Many drugs and chemicals which are not produced in the United States have been placed on the free list. These chemicals are chiefly used in manufacturing industries. The recommendation that they be made free will reduce the cost in the manufactures of which they form a part, and it is believed by the committee will result in a benefit to the consumer. The amount of duty remitted by placing these articles on the free list is the sum of \$876,304.

EARTHENWARE AND GLASSWARE.

The rates of duty upon earthen and china ware have not been materially changed. The existing duties have resulted in the establishment of large manufacturing plants with great benefit to the con-

sumer. This ware has been cheapened to the people under the advance of duty in 1883, and a continuance of the duty is believed to be essential to the maintenance of this industry and will secure still greater benefits to the consumer.

An increase of duty has been recommended upon glassware. This is believed to be necessary to compensate for the difference in the cost of labor here and in competing countries, and to protect our industries from destructive foreign competition.

WOOL.

The production of wool is itself an important industry, and receives added importance through its influence upon other agricultural pursuits. In 1883 the Hon. Jno. L. Hayes, late secretary of the National Association of Woollen Manufacturers and president of the Tariff Commission of 1882, estimated the wool product of the United States for the year 1883 at 320,000,000 pounds, and stated in substance that there was no State in the Union, and scarcely a county in any State, where sheep husbandry was not pursued.

By the census of 1880 in every county in the United States, except 34, sheep were raised. In 1883 the number of sheep in the United States was over 50,000,000, and the number of persons owning flocks was in excess of a million. This large number of wool growers was, to a considerable extent, withdrawn from the business of raising grain and other farm products, to which they must return if wool-growing can not be profitably pursued.

The enormous growth of this industry was stimulated by the wool tariff of 1867, and was in a prosperous condition prior to the act of 1883. Since then the industry has declined in alarming proportions, and the business has neither been satisfactory nor profitable. The committee have given to this industry, so universally distributed throughout the country, the most careful and painstaking consideration, and have recommended an advance of duties which it is believed will afford ample protection to the farmers of the country engaged in wool growing.

By the proposed bill the duties on first and second class wools are made at 11 and 12 cents a pound, as against 10 and 12 under existing law. On third-class wool, costing 12 cents or less, the duty is raised from $2\frac{1}{2}$ cents a pound to $3\frac{1}{2}$ cents, and upon wools of the third class, costing above 12 cents, the duty recommended is an advance from 5 to 8 cents per pound.

The bill which passed the Senate in 1888-89 made the dividing line on third-class wools at 12 cents with the same rates of duty upon all classes of wool except third-class costing less than 12 cents, as herein recommended. The Senate fixed the duty upon that grade at 4 cents, while the committee recommended $3\frac{1}{2}$ cents. It is believed, however, that with the restrictions, definitions, and classifications, and the addition of port charges to the foreign cost recommended in the proposed bill, this difference will be fully compensated.

The United States ought to produce all of the wool it consumes, and will with adequate encouragement and defensive legislation. The amount of wool consumed in all forms and for all purposes is nearly, if not quite, 600,000,000 pounds annually. In January, 1889, there were in the country 42,599,079 sheep, producing about 245,000,000 pounds

of unwashed wool, while the imports for the last fiscal year, in all forms, wool, clothing, and carpet, is estimated at about 350,000,000 pounds. There were imported of clothing wools 29,224,522 pounds; of combing wools, 6,871,666 pounds, and of carpet wools, so called, 90,391,541 pounds; of waste, 8,662,209 pounds—practically scoured wools; and the value of woolen and worsted goods imported was \$52,564,942, representing about 160,000,000 pounds of wool. A considerable amount of wool was imported as carpet wool, paying a duty of only 2½ cents a pound, which was used in the manufacture of clothing and should have paid the clothing wool duty.

There seems to be no doubt that with the protection afforded by the increased duties recommended in the bill the farmers of the United States will be able at an early day to supply substantially all of the home demand, and the great benefit such production will be to the agricultural interests of the country can not be estimated. The production of 600,000,000 pounds of wool would require about 100,000,000 sheep, or an addition of more than 100 per cent to the present number.

The contention that woolgrowing in this country has not been aided or encouraged by protective duties is sufficiently answered by the following statement of the annual production and production per capita from 1840 to 1884:

Amount of wool produced in the United States.

Year.	Production.	Per capita.	Year.	Production.	Per capita.
	<i>Pounds.</i>	<i>Pounds.</i>		<i>Pounds.</i>	<i>Pounds.</i>
1840.....	35,802,114	2.5	1879.....	232,500,000	4.3
1850.....	52,516,909	2.7	1880.....	240,000,000	4.6
1860.....	60,264,913	1.7	1882.....	290,000,000	5.1
1869.....	102,000,000	4.2	1884.....	308,000,000	5.4
1874.....	181,000,000	4.2			

It will be noticed that in 1860, after fourteen years of revenue tariff, the total production of domestic wool was, 60,264,913 pounds, or 1.7 pounds per capita, while in 1884, after twenty-four years of protection, the total production had increased to 308,000,000 pounds, or 5.4 pounds per capita. This increase justifies the policy of affording this important agricultural product adequate protection.

The bill seeks to stop the frauds which have been so shamelessly practiced in the past in violation not only of the spirit but the letter of the law. The preparation of wools under new names and forms, to avoid legal duties, has been very generally practiced.

Noils, ring waste, garnetted waste, slubbing waste, carbonated waste, roping and roving, have been imported into this country at the duty on unwashed wool, when they were in fact washed and scoured, partly manufactured, and ready to go into our looms. It is believed that if the provisions of this bill be adopted these violations will be prevented, and this gross injustice to the woolgrowers of our country remedied.

The letter of the Secretary of Agriculture, under date of February 28, 1890, upon the capabilities of this country to produce all grades of wool required for domestic manufacture, is attached to this report.

WOOLEN GOODS.

The increase of the duty on clothing wool and substitutes for wool to protect the woolgrowers of this country, and the well-understood fact that the tariff of 1883, and the construction given to the worsted clause, reduced the duties on many grades of woollen goods to a point that invited increasing importations, to the serious injury of our woollen manufacturers and woolgrowers, necessitates raising the duties on woollen yarn, cloth, and dress goods to a point which will insure the holding of our home market for these manufacturers to a much greater extent than is now possible. The necessity of this increase is apparent in view of the fact already stated that during the last fiscal year there were imports of manufactures of wool of the foreign value of \$52,681,482, as shown by the undervalued invoices, and the real value in our market of nearly \$90,000,000—fully one-fourth of our entire home consumption—equivalent to an import of at least 160,000,000 pounds of wool in the form of manufactured goods.

In revising the woollen-goods schedule so as to afford adequate protection to our woollen manufacturers and woolgrowers, we have continued the system of compound duties which have proved to be so essential in any tariff which protects wool, providing first for a specific compensatory pound or square yard duty, equivalent to the duty which would be paid on the wool if imported, for the benefit of the woolgrower, and an ad valorem duty of from 30 to 50 per cent, according to the production of labor required in the manufacture of the several classes of goods, as a protection to the manufacturer against foreign competition, and 10 per cent additional upon ready-made clothing for the protection of the clothing manufacturer.

The existing tariff gives an ad valorem duty of from 35 to 45 per cent for the protection of the woollen manufacturer, and the bill which passed the House at the first session of the Fiftieth Congress, which abolished all duties on wool, and consequently the equivalent specific compensatory duties on manufactures of wool, gave a uniform duty of 40 per cent on all woollen goods, without regard to their character. This duty is more than is required for unfinished goods like cheap blankets and flannels, and less than is requisite for fine finished manufactures of wool, which are being imported in so large quantities. For this reason, and to adapt the duties to the comparative cost of manufacturing different woollen fabrics, we have given 30 per cent to the lowest grade of blankets and flannels, 35 per cent to the medium grades, 40 per cent to the highest grades of blankets (flannels valued above 50 cents per pound being classed as "dress goods," which they practically are), carpets and the lower grades of finished cloth and cotton-warp dress goods, and 50 per cent to the finer grades of finished cloth and to all-wool dress goods, requiring the highest skill and greatest amount of labor.

These advanced rates on the better grades of goods for the protection of the manufacturers, with specific duties fully compensatory for the duties on wool, will, it is believed, have the effect to largely diminish importations of manufactures of wool, and consequently to reduce the revenue instead of increasing the revenue as would be the case if the importations should continue the same. From the best information we can obtain, it is probable that the increased rates of duty given to manufactures of wools will reduce, certainly not in-

crease, the revenue from this source, and transfer to this country the manufacture of from \$15,000,000 to \$20,000,000 of woolen goods now made abroad.

In computing the equivalent ad valorem duty on manufactures of woolens, the combination of both the specific duty, which is simply compensatory for the duty on the wool used, of which the wool grower receives the benefit, and the duty which protects the manufacturers, makes the average resultant rate of the woolen-goods schedule proposed 91.78 per cent.

The average rate under the present law, as computed on the basis of the importations of the last fiscal year, appear to have been only 67.15 per cent. This, however, is about 10 per cent lower than it would have been if the worsted decision, which corrected a flagrant wrong by which woolen cloths known as worsted were admitted at a lower rate than cloths known as woolen cloths, had been made at the beginning of the fiscal year instead of the close; and at least 15 per cent lower than it would have been if worsted yarns had paid the same duty as woolen yarns costing the same. That is, if both of these manifest errors, working serious injustice to the woolen manufacturing industry, had been corrected at the beginning of the last fiscal year, the average rate of duties in the woolen-goods schedule of the present tariff would have been nearly 80 per cent against 91.72 per cent as proposed.

WOOD, COTTON, PAPER, WOOD PULP.

The duties on manufactures of wood, which under the existing law average only 18.81 per cent—the lowest of any schedule—have been reduced 50 cents per thousand on pine boards. In other respects this schedule is not changed. Shingle and stave bolts, hop poles, ship timber, and other forms of rough lumber, cabinet woods, and other woods unmanufactured, are retained on the free list. A provision is added that sawed lumber imported from any country which imposes an export duty on logs shall pay a duty equivalent to such excess in addition to the duty provided by the proposed bill.

We are satisfied that any reduction of the light duties on lumber proposed would tend to discourage the proper care of our timber lands, now so generally preserved by the judicious cutting of the trees of full growth at such intervals of time as will preserve the timber reserves, and would inure to the benefit of the government of the Dominion of Canada, which holds the most of the Canadian timber lands and controls the timber rights, without diminishing the market prices of manufactured lumber.

The cotton schedule has been arranged so as to reduce duties on the lower grades of manufactured cottons, where a reduction can be made without injury to our cotton manufacturing interests, and to increase duties on the finer grades, of which there were imported in the last fiscal year goods to the value of \$27,105,509.

An increase of duties has been made in the finer grades of cotton knit fabrics, of which there were imported in the last fiscal year manufactures to the value of \$6,056,950. Notwithstanding this increase of duties on manufactures of fine cottons to enable our cotton mills to make classes of goods in which labor is the principal element of cost, yet the reduction of duties on the lower grades leaves the average duty of the proposed cotton schedule only slightly more than

in the existing tariff, the average in the latter being 35.64 per cent against 38.06 per cent in the proposed bill.

In the paper schedule no change has been made from existing rates of duty in the grades of paper which form the principal consumption of the country. Tissue and other fine papers have been given an increased duty in order to enable our own mills to successfully manufacture these papers in the face of the injurious competition from foreign manufacturers to which they have been subjected.

Wood pulp, both ground and chemical, which is used to so large an extent in paper manufacture, and which has cheapened the price of paper in a marvelous manner, has been given specific rates of duty equivalent to the present ad valorem duty on this article when justly valued, in order to protect the large wood-pulp industry of this country against the injurious competition of foreign chemical pulp, which has been largely imported at a valuation far below what it should properly bear.

METALS.

In the metal schedule no change of duty has been recommended upon iron ore or iron in pigs. These duties, it is believed, can not be lowered without detriment to existing industries, and we have not felt justified in interfering with the further development of our iron ore resources, now so promising, in the Southern States.

With regard to pig iron it may be said that it is in no sense a raw material. It is a product of the highest skill, requiring for its manufacture large and expensive plants, the capital invested in which in our country to-day more than equals that which is invested in any other branch of our iron and steel industries. Pig iron is made in twenty-five States of the Union. Its manufacture is increasing rapidly in many States, largely as the result of the protective duty which has long given encouragement to its production. It has had a marvelously rapid growth in the Southern and Western States in the last ten years, and it is to-day the leading manufacturing industry south of the Potomac and Ohio rivers. It has been the most potent of all influences in the industrial rehabilitation of the South. To reduce the duty on pig iron, and on scrap iron and scrap steel, which are substitutes for pig iron, would annually bring into our ports many shiploads of these products to take the place of pig iron which could be produced at home, and it would correspondingly reduce the demand for coal and iron ore. This is a result which is surely not to be desired.

The committee have recommended among others the following changes: Bar iron not less than three-quarters of an inch square has been reduced from 1 cent to nine-tenths of a cent per pound; square iron less than three-quarters of an inch, from 1.1 to 1 cent per pound; and round iron in coils or rods, less than seven-sixteenths of 1 inch in diameter, and bars or shapes of rolled iron, not especially provided for in this act, from 1.2 to 1.1 cents per pound. Beams, girders, joists, angles, channels, hinged columns, and posts, or sections thereof in building form, are reduced from 1½ to nine-tenths of 1 cent per pound. Railway iron is reduced from \$17 per ton to \$13.44 per ton. Iron and steel sheets, common or black, and known as taggers iron or steel, has been reduced throughout one-tenth of 1 cent per pound.

In wires of all description there has been a reduction of one-fourth of 1 cent per pound. Anchors, or parts thereof, of iron or steel, and mill iron and mill cranks, and forgings of iron and steel have been reduced from 2 cents to 1.8 cents per pound. Axles, or parts thereof, of iron or steel, from $2\frac{1}{2}$ to 2 cents per pound. Blacksmiths' iron and steel, hammers, sledges, track tools, wedges, and crowbars have been reduced from $2\frac{1}{2}$ to $2\frac{1}{4}$ cents per pound. Boiler or other tubes, from 3 to $2\frac{1}{2}$ cents per pound. Bolts, nuts, and finished hinges and hinge blanks, from $2\frac{1}{2}$ to $2\frac{1}{4}$ cents per pound. Cast-iron pipe of every description, from 1 cent to nine-tenths of a cent per pound. Cast-iron vessels, plates, stove plates, andirons, sadirons, tailors' irons, hatters' irons, and castings of iron not specially provided for, from $1\frac{1}{4}$ to 1.2 cents per pound. Castings of malleable iron, from 2 cents to $1\frac{5}{8}$ cents per pound. Chains of all kinds, made of iron or steel, have been reduced from 2 cents to 1.8 cents per pound.

There has been an increase of duties upon cutlery, believed by the committee to be absolutely necessary to the maintenance of this industry in the United States. The competition from Germany and other countries has been so ruinous as to have already destroyed some of the manufactures, and threatens without this increased duty to wipe out the remaining ones. Shotgun barrels have been placed upon the free list. Cut nails and cut spikes have been reduced from $1\frac{1}{4}$ to 1 cent per pound. Spikes, nuts and washers, and horseshoes, from 2 cents to 1.8 cents per pound. Cut tacks, brads, or sprigs, from $2\frac{1}{2}$ to $1\frac{1}{4}$ cents on one grade, and from 3 cents to $2\frac{3}{4}$ cents on another. Needles for hand sewing and darning are put upon the free list.

Railway fish plates, or splice bars, are reduced from $1\frac{1}{4}$ to 1 cent per pound. Copper, from $2\frac{1}{2}$ to $1\frac{3}{4}$ cents per pound. Old copper, fit only for remanufacture, from 3 cents to $1\frac{3}{4}$ cents per pound. Regulus of copper and black or coarse copper, from $3\frac{1}{2}$ to $1\frac{3}{4}$ cents per pound. Copper in plates, bars, ingots, or pigs, from 4 to 2 cents per pound. Nickel ore is placed upon the free list. Pyrites or sulphate of iron, containing an excess of 25 per cent of sulphur, is placed upon the free list. Nickel in matte is reduced from 15 to 3 cents per pound. The decreased duties as proposed have been made after the fullest investigation, and are believed to be adequately protective to our own industries.

TIN PLATE.

The committee have recommended an advance of duty upon tin plate. The Finance Committee of the Senate of the last Congress, after the fullest investigation, said in their report:

The present anomalous and inadequate duties on tin andterne plates have received the attention of your committee, who believe that such a readjustment of these rates should be made as would encourage the manufacture of these articles in this country.

It has been demonstrated that we can manufacture tin plate in the United States as successfully as it can be done in England. Its production here suitable for all uses is no longer experimental. We make sheet iron and sheet steel, and it is confidently believed that we have in the Dakotas pig tin in sufficient quantities for use in making all of the tin required for this market, and if this were not so pig tin is on the free list accessible to our people for manufacturing purposes.

There is no reason, except inadequate protection, why we are not to-day manufacturing the more than \$21,000,000 worth of tin now imported into the United States and upon which we pay an annual duty of over \$7,000,000. It is estimated that the establishment of an industry which would supply our own market in this particular would furnish steady employment to at least 24,000 men.

The bill provides that the increased duty shall not go into effect until July 1, 1891, and it is believed that manufacturers, encouraged by this proposed legislation in the meantime, will adapt their plants to the new production, and that in the end the advanced duty will not enhance the cost to the consumer, but eventuate in lower and steadier prices to the American consumer. To the end that there may be no interruption of our export trade of canned products by reason of the proposed change, the committee recommend that upon tin imported and exported, made up, the Government shall retain but 1 per cent of the duty instead of 10 per cent, as provided by existing law.

If the recommendation of the committee is adopted, it is believed a new and important industry will be secured to the United States, with large resultant benefits to the people.

SUGAR AND MOLASSES.

The committee recommended that sugar, up to and including No. 16 Dutch standard in color, and molasses be placed on the free list, with a duty of four-tenths of 1 cent per pound on refined sugar above No. 16; and that a bounty of 2 cents per pound be paid from the Treasury for a period of fifteen years for all sugar polarizing at least 85°, made in this country from cane, beets, or sorghum produced in the United States.

In 1888 the consumption of sugar in the United States was 1,469,997 tons, or 53.1 pounds per inhabitant. Of this only 189,814 tons (375,904,197 pounds) were produced in the United States, and 1,280,183 tons, or seven-eighths of our consumption, were imported. We have not at hand the statistics of sugar consumption and production for 1889, but the relative proportion of domestic to foreign production was substantially the same. So large a proportion of sugar is imported that the home production of sugar does not materially affect the price, and the duty is therefore a tax, which is added to the price not only of the imported but of the domestic product, which is not true of duties imposed on articles produced or made here, substantially to the extent of our wants.

In 1889 the duties collected on imported sugar and molasses amounted to \$55,975,610. Add to this the increase of price of domestic sugar arising from the duty, and it is clear that the duty on sugar and molasses made the cost of the sugar and molasses consumed by the people of this country at least \$64,000,000, or about one dollar for each man, woman, and child in the United States, more than it would have been if no such duties had been levied and the domestic product had remained the same.

Even on the assumption that with proper encouragement we shall eventually be able to produce all, or nearly all, the sugar required for the consumption of our people—an assumption which your committee believes to be sustained by many facts, notwithstanding the slow

progress thus far made in sugar culture in this country. This encouragement can be given much more economically and effectively by a bounty of 2 cents per pound, involving the expenditure of but a little more than \$7,000,000 per annum with the present production of sugar in this country, than by the imposition of a duty involving the collection of \$55,975,610 in duties in the last fiscal year, not to mention the amount indirectly involved. When it is considered that this increase in cost due to the duty on sugar falls on an article of prime necessity as food, your committee are persuaded that justice as well as good policy requires that such an unnecessary burden in the way of a direct tax should be removed from sugar, and that the encouragement required to induce the production of sugar in the United States should be given through a bounty rather than by an import duty.

In providing that not only raw sugar, but also sugar up to and including No. 16 shall be admitted free of duty, an opportunity is given for the free introduction of yellow sugars suited for family use, an arrangement which will secure to our people sugar at the lowest price existing in the markets of the world, while even imported white refined sugars will be subject to a duty of only four-tenths of one cent per pound.

The sanction of no higher authority in American statesmanship could be invoked upon this paragraph of the bill, which offers a bounty to this industry, than the following:

The bounty is a species of encouragement more positive and direct than any other, and for that very reason has a more immediate tendency to stimulate and uphold new enterprises, increasing the chances of profit and diminishing the risks of loss in the first attempts. Bounties are sometimes not only the best, but the only proper expedient for uniting the encouragement of a new object of agriculture with that of a new object of manufacture.

There is a degree of prejudice against bounties, from an appearance of giving away the public money without an immediate consideration, and from a supposition that they serve to enrich particular classes at the expense of the community. But neither of these sources of dislike will bear a serious examination. There is no purpose to which public money can be more beneficially applied than to the acquisition of a new and useful branch of industry; no consideration more valuable than a permanent addition to the general stock of productive labor.

As to the second source of objection, it equally lies against other modes of encouragement which are admitted to be eligible. As often as a duty upon a foreign article makes an addition to its price, it causes an extra expense to the community for the benefit of the domestic manufacturer. A bounty does no more. But it is the interest of the society, in each case, to submit to a temporary expense, which is more than compensated by an increase of industry and wealth, by an augmentation of resources and independence, and by the circumstance of eventful cheapness. (Alexander Hamilton, Secretary of the Treasury, Report on Manufacturers, December 5, 1791.)

FREE LIST.

The free list has been enlarged by the addition of the following articles:

Books and pamphlets printed exclusively in language other than English.	Bristles, raw.
Books and music in raised letters printed exclusively for the blind.	Chicory root, raw, dried, or undried, but unground.
Braids, plaits, laces, flats.	Coal tar, crude, and pitch of coal tar.
	Dandelion roots, raw, dried, or unground, acorns, beeswax.

Floor matting manufactured from round or split straw, including what is commonly known as Chinese matting.	Ore, nickel.
Currants, Zante and other.	Potash, crude or black salts; chlorate of, nitrate of crude, sulphate of crude.
Dates.	Red earth or raddle, used for polishing lenses.
Grass and fibers.	Seeds.
Jute.	Hemp, rope, bulbs, bulbous roots, not edible.
Jute butts.	Shotgun, barrel or barrels, rough or bored.
Manilla.	Sponges.
Sisal grass.	Sugar up to and including No. 16, Dutch standard in color.
Sunn and all other textile grasses or fibrous vegetable substance, unmanufactured.	Tar and pitch of wood.
Degras and other grease.	Tinsel wire, lame or lahn.
Hair, human, raw, uncleaned, and not drawn.	Tobacco stems.
Molasses.	Sulphur ore, as pyrites or sulphuret of iron containing an excess of sulphur.
Needles, hand, sewing, and darnling.	Turpentine, spirits of.
Nut oil or oil of nuts.	Briar wood, unmanufactured.
Olive oil for manufacturing and mechanical purposes, unfit for eating.	Paintings in oil, water colors, statuary.
Opium, unmanufactured.	

FREE ART.

The committee have recommended that paintings in oil or water colors, being the professional production of painters, and statuary, cut, carved, or otherwise wrought by hand from a solid block or mass of marble, and being a professional production of a statuary and sculptor only, shall be relieved from the 30 per cent duty now imposed and be transferred to the free list. The removal of all duty or tax from works of art has long been petitioned for by American artists. In 1884 the Society of American Artists passed a resolution against the continuance of the duty. In 1885 a committee was appointed to ascertain the sentiment of the artists of the United States, and, to that end, sent to every artist and every art institution and teacher of art, whose address could be found, asking for their views upon the propriety of continuing or abolishing the duty. To that circular the committee received 1,435 replies, and out of that number 1,345 were in favor of a total abolition of the tariff on works of art. The artists declare they neither need nor desire any duty or protection. They believe it opposed not only to their interests, but to the general interests of American art, and to be as injurious to the public at home as it is irritating to artists and governments abroad. They conclude their petition to Congress:

We, as American artists proud of our country, confident of its future, and jealous of its honor and credit, are opposed to all special privileges and discrimination in our behalf. We ask no protection, deeming it worse than useless. Art is a universal Republic, of which all artists are citizens whatever be their country or clime. All that we ask is, that there should be a free field and no favor, and the prize adjudged to the best.

AGRICULTURAL PRODUCTS.

The committee have given months of investigation to the existing conditions of agriculture and matters connected therewith. This great industry is foremost in magnitude and importance in our country. Its success and prosperity are vital to the nation. No prosperity is possible to other industries if agriculture languish. In so

far as the fostering care of Government can be helpful, it must be faithfully and forcefully exerted to build up and strengthen agriculture.

That there is wide-spread depression in this industry to-day can not be doubted. Every remedy within the scope of practical legislation known to your committee has been recommended in the proposed measure to meet the urgent requirements of the situation.

The enemies of the protective system have no word of criticism for the real causes of agricultural depression, no suggestion of relief from the real burdens which are weighing it down to-day; but, seizing the present as a favorable time, they solemnly charge that the decline in our market is solely due to the tariff.

They are pleased to ignore the fact that one of the purposes of a protective tariff is to hinder a still larger importation of foreign produce, and thus save the market from still greater depression.

The friends of larger foreign importations feel no apprehension or alarm at the rapidly increasing volume of foreign agricultural produce pouring into our markets. These and all other actual perils they pass by. They are silent to this danger which offers real harm to American agriculture and clamor against its only safeguard and protection.

But your committee, sensible to the importance of this industry, prompted by the single motive to lift it to the highest level of profitable employment, believe that they offer in the bill presented all the relief which tariff legislation can give to it.

A critical examination of the subject will show that agriculture is suffering chiefly from a most damaging foreign competition in our home market. The increase in importations of agricultural products since 1850 has been enormous, mounting from \$40,000,000 to more than \$356,000,000 in 1889. This is an increase of nearly 900 per cent, while the population increased for the same period less than 300 per cent. During the past ten years this growth in importation has been most rapid, and has been marked by a significant and corresponding decline in prices of the home-grown product.

Upon the products of chief reliance to our farmers competition, not only abroad but at home, with the poorly paid labor of Europe and cheap labor of Egypt and India is depriving our produce of its home market and sweeping the margin of profits from the farmers of the country. The "world's market," to which the advocates of tariff for revenue only invite the farmers of this country, is to-day crowded with the products of the cheapest human labor the earth affords. All over the Old World there is a rush of their surplus to that market, and it is to such a contest as this that free trade would allure American agriculture.

With the foreign grain market under the sway of such oppressive competition, with the foreign cattle and pork market depressed and obstructed by various ruinous measures of restriction, with foreign agricultural products crowding our home market, your committee have recommended an increase of rates upon agricultural products.

The establishment of agricultural experiment stations under federal supervision, the energetic research into the resources of the different sections of the country, the application of scientific principles to agriculture under the efficient administration of the Department of Agriculture make this a most opportune time to encourage and

foster, by the application of the protective principle, the development of new industries on the farm.

We advance the rates upon the products of the soil which either do supply or can be brought to supply the home consumption. Horses, cattle, hogs, sheep, bacon, barley, beans, pease, beef, mutton, pork, buckwheat, butter, cheese, eggs, hay, hops, milk, poultry, flaxseed, vegetables, potatoes, flax, hemp, hides, wool, tobacco, and many other products are advanced with a view to save this entire market to the American farmer.

As indicating the general line of policy pursued in changing rates in this schedule your committee can only, in the scope of this report, note a few articles illustrative of all.

HORSES, CATTLE, AND SHEEP.

In the last ten years not less than \$60,000,000 worth of horses, cattle, and sheep, ordinary marketable stock, has been imported. A portion of these have paid 20 per cent ad valorem on a fraudulent undervaluation. A very large proportion have come in free, professedly for breeding purposes, actually for the common markets. The duty has been changed to a specific rate and advanced to a point where it will protect the market, while the paragraph in the free list on animals for breeding purposes is so framed as to only admit animals which are pure bred and properly registered.

TOBACCO.

Ten years ago the cultivation of tobacco suitable for cigars promised one of the most certain and profitable investments for agriculture in many of the Northern States. To-day the industry is crowded from its own market by foreign importations produced by labor costing less than 10 cents per day. The value of the tobacco imported from the Netherlands alone for the six months ending December 31 last was nearly \$5,000,000. The duty has been increased with a view of protecting the American market for the American grower.

FLAX.

Flax and hemp have been advanced upon the positive evidence that the time has come to encourage these two industries from an agricultural standpoint. The farmers themselves are ready to enter largely upon the cultivation of flax and hemp fiber under adequate protection. The diversity of our soil and climate beyond question invites us to the establishment of these industries.

Samples of every grade of American-grown flax, from the coarsest to the finest, have been examined by your committee, and they are convinced that if the production of the fiber and the weaving of the fabric be given a fair measure of protection against the low wages paid in the several flax-growing countries of Europe, a few years will build up an immense industry in the United States of inestimable benefit to agriculture.

HEMP.

Hemp culture is receiving attention throughout the entire North, and seed will be sown during the present season in many States where it has not been heretofore cultivated except to determine the adapta-

bility of soil and climate. In the grain-growing States, with the protection offered by this bill assured, the farmers will soon produce all the fiber necessary to bind their grain with twine from American-grown hemp.

JUTE, MANILA, AND SISAL.

These fibers have been placed upon the free list, and the duties on cordage and twine manufactured therefrom greatly reduced, the reduction in the binder twine being from $3\frac{1}{2}$ cents per pound to $1\frac{1}{4}$ cents per pound. Notwithstanding this, when hemp has been given a fair trial as a binder twine it is believed, from the facts before your committee, that it will displace that manufactured from the foreign-grown fibers with a cheaper and better article. A

RAMIE.

Ramie is a remarkable fiber, which will, if encouraged, be soon woven into a great variety of the finest and most beautiful fabrics. The present season ramie is being grown in many Southern States. It has just passed the experimental stage, and a great and valuable industry will be secured to the South through its protection.

SILK.

The necessity of adding to the number of gainful occupations open to the farmer has led the committee to consider carefully the probability of establishing the cultivation of silk in the United States, and to that end they have invited the fullest discussion in aid of their deliberations. They have, upon the fullest consideration, recommended a bounty to the growers of silk. Attempts have been made to establish silk culture at various times since the colonization of the country, but these attempts have not met with success in the past. Only one of these efforts deserves special mention, and that occurred between 1816 and 1844. At that time the production of cocoons and silk became quite large, but the efforts of the silk raisers were accompanied by wild speculations in mulberry trees, and the panic which followed upon these speculations carried down the silk raisers as well as the nurserymen.

The only recognition of silk raising which has been made by the Government, in revenue legislation, was made at this time, when customs duties varying from $12\frac{1}{2}$ to 20 per cent were imposed upon foreign reeled silk. This was changed in 1842 to a specific duty of 50 cents per pound, but all efforts in this direction were not sufficient to overcome the disastrous effects of the multicaulis speculation and failure.

Coincidentally with this period of activity in silk culture there sprang up a number of factories destined to convert the reeled silk into manufactured goods, and under the fostering care of a protective tariff this industry has grown to immense proportions. During the fiscal year ending June 30, 1889, the silk manufacturers of this country imported 5,329,646 pounds of reeled silk, for which they paid \$18,544,025.

Several years ago the Government began in a systematic way to investigate the question of silk culture in the United States. Twenty

thousand dollars has been annually expended by the Department of Agriculture for this purpose, and the results achieved fully warrant this committee in the belief that successful and profitable silk production is entirely practicable in many of the States of the Union.

While reeled silk is not directly the product of farmers' labor, it is produced from cocoons which are raised by the farmer. In the production of the silk imported during the past fiscal year there were probably consumed about 60,000,000 pounds of cocoons, worth more than \$15,000,000. At the rates of production existing in France and Italy the rearing of these cocoons would have given temporary occupation to 400,000 families. While the committee is aware that this industry must be gradually developed, and that it will be some time before the country can produce the greater part of the silk needed by our manufacturers, the committee did not feel justified in ignoring the reasonable suggestions of the silk raisers.

It was not thought wise at this time to impose a duty on reeled silk. Your committee found that the American silk reeler, in competition with the cheap labor of Europe and Asia, would be at a disadvantage of at least \$1 per pound for each pound of silk produced. The protection, therefore, necessary would have been given by a duty in this bill but for the fact that it would greatly embarrass the silk-weaving industry operating here under existing conditions until the production of the reeled silk in this country more nearly approximates its consumption. Hence in order to secure this industry as speedily as possible, and with the least expense under the exceptional circumstances, your committee offer the necessary differential of a bounty of \$1 per pound—about the equivalent of 20 per cent on the market value of good silk.

The industry of silk reeling which this bounty is designed to establish will give employment to a large and rapidly increasing number of operatives. To produce our annual importations of reeled silk will require 14,000 basins and give work to over 20,000 persons in the different branches of the industry. To produce the cocoons necessary to supply this silk will give temporary but remunerative employment to the families of half a million farmers every season.

As the most important reason for assisting in establishing the silk-reeling industry is to aid the creation of a market for cocoons, which are an agricultural product, it was thought by the committee that the chief object in view would not be attained unless direct encouragement were given to the producer of the cocoon. For this reason a bounty is also provided for in the bill, amounting to 7 cents per pound on fresh cocoons. This also is about equivalent to 20 per cent of the value of the product. This industry has been assisted in the past by bounties granted by colonial or state legislatures, but in general they were primarily to encourage the planting of mulberry trees, or else they were given for lots of cocoons or silk larger than one person would be likely to produce. For this reason they failed to accomplish their object.

By the provisions of the bill these bounties are to be paid for a period of ten years in order to give the industry a reasonable assurance of permanency.

The demands on the Public Treasury incident to the passage of this portion of the bill will not at present be large. The production of cocoons during the last calendar year did not exceed 20,000 pounds,

and that of silk one-twelfth of that amount. While the bounty which would have been paid upon this production would thus have been but a little more than \$3,000, under the stimulating influence of these bounties the output both of cocoons and reeled silk will increase, and the amount to be paid in bounties will proportionately increase. It is, however, a significant fact that the advantage to be gained by the farmer by the payment of the bounty on silk will be more than three times the amount of the draft on the Treasury, for, for every pound of silk which the reeler produces he must first pay the cocoon raiser considerably over \$3 for the cocoons consumed in its production. The recommendations of the committee in this behalf receive the approval of the Secretary of Agriculture, whose department has given great attention to this subject.

INTERNAL REVENUE.

The committee have recommended changes in the internal revenue laws as follows:

First. Abolishing the tax on dealers in leaf tobacco, which will relieve 4,872 taxpayers and reduce the revenues \$48,570.88.

Second. Abolishing the tax on dealers in manufactured tobacco, which will relieve 590,013 taxpayers from the payment of a small but vexatious tax, and will reduce the revenue \$1,280,015.98.

Third. Abolishing the tax on manufacturers of tobacco, which will relieve 902 taxpayers and reduce the revenue \$5,128.25.

Fourth. Abolishing the tax on manufacturers of cigars, which will relieve 20,684 taxpayers and reduce the revenue \$120,195.53.

Fifth. Abolishing the tax on peddlers of tobacco, which will relieve 16,060 taxpayers and reduce the revenue \$127,010.88.

The committee recommend a reduction of the tax on smoking and manufactured tobacco from 8 cents to 4 cents per pound, which will effect a reduction of the revenue of \$8,538,449.97.

They also recommend a reduction of the tax on snuff from 8 cents to 4 cents per pound, which will effect a reduction of the revenue of \$322,544.78½.

They also recommend the abolition of the tax on retail dealers in leaf tobacco, effecting a reduction of the revenue of \$270.84.

The committee have recommended that all provisions of the statutes imposing restrictions of any kind whatsoever upon farmers and growers of tobacco, in regard to the sale thereof, be repealed. This will enable the farmers and planters to sell their tobacco wherever and to whomsoever they please with the same freedom they now dispose of other agricultural products.

The committee have been advised by the Commissioner of Internal Revenue that the abolition of the special taxes herein proposed can be made with safety and will in no way interfere with the administration of the laws which are to remain.

The advance of duties on agricultural products, including tobacco and wool and manufactures of wool and sundries, on the supposition that the imports of the next fiscal year would be as large as in the year ending June 30, 1889, would increase the revenue. But the articles on which duties have been increased are for the most part such as we can produce to the extent of our wants, and the increase of duties will have the effect to diminish the importations to such an

extent that the revenue will not be increased. No other result can follow. The effect of the advance of duties on agricultural products, for example, will be to hold our own markets in larger measure than at present for our own farmers without any increase of revenue. The same result will follow in other cases of increase, and where the revenue is in special cases increased this increase will be far less than is indicated by a computation based on the theory that importations of such articles will continue as large as under lower duties.

In the case of manufactures of wool, where the importations have been enormous because of inadequate duties, there can be no reasonable doubt that the rates of duty proposed will diminish rather than increase the revenue.

Your committee conclude, therefore, that the proposed bill, if enacted into law, will certainly reduce the revenue from imports at least \$60,936,536, and probably more, and from the internal revenue \$10,327,878, or in the aggregate \$71,264,414.

Letter from the Secretary of Agriculture upon the possibilities of wool-raising in the United States.

DEPARTMENT OF AGRICULTURE, OFFICE OF THE SECRETARY,
Washington, D. C., February 28, 1890.

SIR: Your letter is received, making inquiry whether "our country lacks conditions of soil and climate for producing every variety of wool, and that, too, in commercial quantities, and as a fairly remunerative branch of agriculture."

This inquiry is suggested by the following quotation from the Providence Journal of a recent date: "We have tried all sorts of wool tariffs in years past and never yet have they caused the production here of certain kinds of wool that are absolutely necessary to give the required finish to woollen and worsted fabrics and to make carpets. We never can accomplish the feat. It is physically impossible. Certain wools require for their production conditions of climate and soil which we do not possess, and that settles it."

This country possesses a marvelous range of climate conditions, having 24° of latitude between 25° and 49°, with altitudes compassing levels from the semi-tropical to those of perpetual snow and ocean currents modifying the climate of both coasts. Soils range from those of geological formations of the early geologic ages to the alluvium of the present day. A continent so broad, so varied in soil and climate, is properly designated as the Western World, and the United States compasses all its possibilities, except those of strictly tropical and absolutely polar areas.

It can therefore produce, with no limitations of practical importance, all the races and breeds of sheep in the world. The families of the Merino race, originating in Spain, all thrive in this country, and include a large proportion of existing flocks. All the mutton breeds of Great Britain, the breeds producing medium and long wool, flourish here, and are to be found scattered throughout the regions on which sheep husbandry is fostered almost exclusively for the wool production. The coarse wool type is also represented by the Spanish varieties, which went first to Mexico and then to all our Southern domain, and formed the foundation to most of the flocks in all the territory of the arid region beyond the Missouri. There have also been importations of Asiatic and African sheep in the South. We actually possess the flocks and produce the wools of the three groups in the customs wool classifications, viz, the carding, the combing, and the carpet wools. The supply of each class, it is true, is not equally proportioned to the manufacturing demand, for very obvious reasons, which have nothing to do with soil or climate or impossibility of adaptation to the physical conditions prevailing on the Western Continent.

Our manufactures of wool have had a natural development. Two generations ago the domestic manufacture was very generally distributed through the districts then settled. The rise of the factory system destroyed the hand manufacture of wool throughout the world. The development of manufacture by machinery was slow, beginning with coarse fabrics. For many years the card-

ing processes only were in vogue. A single generation ago there was little combing or worsted manufacture, and fine cassimeres were unknown. Few carpets were then made here. Both industries have since had a remarkable development, nearly supplying the home demand, and no demand for foreign carpets exists, except to supply the fancies and whims of the fastidious, who want a particular pattern or a foreign name.

Our patented machinery is now sought abroad, with which to manufacture the supplies of other countries. Thus our progress in manufacturing, apparently slow and by steps from lower to higher forms, has been really rapid, and every stage of progress has created demand for greater variety of wool, which there was before no inducement to produce. The Saxon Merinos, for instance, bearing the finest wool in the world, were imported, and bred when our manufacturers were pressed to supply the requirements of the country for cloths of medium fine wools, and were not yet ready to produce fine broadcloths, and therefore could not offer prices that would foster increased supply of that grade. But there is no climatic difficulty in their production.

As to carpet wools, the principal reason why they have not been produced in sufficient quantities is because they have been discriminated against in tariff rates. For instance, the imports of clothing wool in 1888-89 paid an average duty of 49.03 per cent, worsted wools a duty of 42.5 per cent, and carpet wools a duty of only 26.16 per cent. The average duty per pound was 10.55 cents for clothing wools, 10.09 for worsted, and 3.18 for carpet wools. This is not all of the discrimination. The classification which includes in the third class all wools except English and Merino is a dragnet for all other wools of the world, covering a range of quality and style wide enough for a very extensive variety of manufacturers. Besides, there is admitted in this class a valuable line of incidental or so-called waste products of manufacture, worth very much more a pound in its cleansed state than the imports of clothing wools. Naturally, under these discriminations the carpet wools constituted 75 per cent of all imports. Thus the third class is a loophole for the admission of a great variety of wool through which the barrier for the protection of woolgrowers is practically broken down.

Very respectfully,

J. M. Rusk, *Secretary*.

VIEWES OF THE MINORITY.

The undersigned, constituting the minority of the Committee on Ways and Means, being unable to agree with the majority in reporting and recommending the passage of House bill No. 9416, entitled "A bill to reduce revenue and equalize duties on imports, and for other purposes," beg leave to submit some of the reasons for their dissent.

Upon the question of collecting such revenue from duties on imported goods as may be necessary to pay the whole or a part of the cost of conducting the Government, when economically administered, we are now at the parting of the ways. Whether such taxes shall be imposed upon the people for the primary purpose of raising money for the payment of the ordinary public expenses and the public debts, or be imposed for the purpose of increasing the cost of production and the prices of certain articles of domestic consumption, is a question upon which there is an irreconcilable difference of opinion between the two great political parties of the country; and this question in its plainest form is directly presented for consideration by the bill reported by the majority.

The minority, representing for the time being one of these parties, contends for the principle of just and equal taxation upon all, according to their ability to bear the burden, while the majority, representing the other party, has, in this bill, thoroughly committed itself to the policy of unjust and unequal taxation of the many for

the benefit of the few. We are as anxious as the majority can possibly be to promote and encourage American industries and advance the interests of American laborers, and those who impute to us any other purpose or design either misunderstand or misrepresent our position. But we believe that both these objects can be accomplished by reducing the burdens of taxation, and not by increasing them, and that the benefits thus secured will be far more permanent and far more satisfactory to those directly concerned than any supposed advantage that can result from a different policy.

No amount of increase in the rates of duty can ever be permanently satisfactory to all the beneficiaries, because it will be found sooner or later that a rate which is supposed to help one actually hurts another, and thus controversies are engendered which always result in new appeals to the Government for additional burdens upon the people. Any policy of taxation which under the pretense of protection imposes burdens upon the mass of the people and divides the representatives of different occupations into warring classes, each struggling to make use of the power of legislation to obtain an advantage over the others, is obviously unjust and unwise and ought not to be continued. What Daniel Webster foresaw when, in the name of the merchants and manufacturers of New England, he denounced this system in his great Faneuil Hall speech in 1820, we have actually witnessed day after day during the present session of Congress. Upon that occasion he said:

To individuals, this policy is as injurious as it is to government. A system of artificial government protection leads the people to too much reliance on government. If left to their own choice of pursuits, they depend on their own skill and their own industry. But if government essentially affects their occupations by its systems of bounties and preferences, it is natural, when in distress, that they should call on government for relief. Hence a perpetual contest, carried on between the different interests of society. Agriculturists taxed to-day to sustain manufacturers—commerce taxed to-morrow to sustain agriculture—and then impositions, perhaps, on both manufactures and agriculture to support commerce. And when government has exhausted its invention in these modes of legislation it finds the result less favorable than the original and natural state and course of things. He could hardly conceive of anything worse than a policy which should place the great interests of this country in hostility to one another—a policy which should keep them in constant conflict, and bring them every year to fight their battles in the committee rooms of the House of Representatives at Washington.

These words were prophetic. The prolonged discussion before the committee during the present session was not between the individuals and corporations who receive the taxes and the consumers who pay them, for very few of these were heard, but between the representatives of the various protected industries, each class contending for higher rates on its own products, or for lower rates on the products of others. Except in cases where combinations were made between the interested parties, the conflict continued as long as the bill remained in the committee, and the majority, after months of patient and laborious investigation, has been able to satisfy a part only of the demands made upon it. Even if the advocates of revenue reform should remain silent, the agitation must be renewed at an early day by the discontented beneficiaries of the protective policy, and these periodical agitations, with their consequent disturbances of business, will continue to occur as long as this unequal and ruinous system of taxation is maintained. The only remedy for this evil is to remove,

as far as possible, artificial burdens and restrictions and give to all our industries an equal chance in the field of competition at home and abroad.

According to the statements made before the committee the protected industries of the country have never been at any time in our history in such a depressed and discouraging condition as they are now. After nearly thirty years of continuous protection by government taxation for their support, a great many of them are reported to be on the very verge of bankruptcy and ruin, while very few of them, according to the testimony, are yielding a fair profit upon the capital invested. A great many of the parties engaged in these industries have declared in the course of our investigation that the slightest reduction in the rates of duty now imposed upon competing foreign products would compel them to close their works and discharge their employees, and others have even gone so far as to assert that they will be forced to go out of business if the rates of taxation are not increased. At the same time the laborers in those industries are complaining of insufficient wages, repeated suspensions of work, and a general condition of uncertainty and insecurity in their relations to those who give them employment. These laborers, fully realizing the fact that this system has wholly failed to increase their earnings or improve their condition in any way, have been compelled to organize trades unions and resort to other methods of combination and cooperation for self-protection; and these various organizations now afford the only efficient means at their command for the preservation even of the existing rates of wages.

While we have no doubt that many of the statements made before the committee were great exaggerations of the actual condition of affairs, yet, after making proper allowance for the zeal of advocates pleading their own cause, enough remains to show clearly that the existing system of protection, after a trial for thirty years, has proved a failure, and that instead of being strengthened and made more restrictive and prohibitive, it ought to be abandoned and a more liberal policy inaugurated. When capital and labor unite in declaring that our protected industries are not prosperous under that system, although it was designed and has been maintained for their special benefit, the conclusion is inevitable that there is a vice in it somewhere that ought to be removed; for there is no reason to doubt that in a country like this every productive industry would be reasonably prosperous if a wise and just revenue and financial policy prevailed.

But the majority, admitting that these industries are depressed even to the full extent stated before the committee, will contend that the only remedy is the imposition of more taxes upon the people for their benefit. This is the theory of their bill, and it can not be defended upon any other ground. According to their theory there is but one method of protecting or promoting our domestic industries, and that is by levying a heavy tax upon every article of foreign origin which the people of this country desire to buy, and for which they are ready and anxious to exchange the cotton which they can not spin, the corn and wheat which they can not consume, the oil and coal which they can not burn, and many other products of our farms, our forests, and our mines.

These surplus products must find a market somewhere outside of the United States, and there are people all over the civilized world who can not produce them for themselves, and who are willing to take them from us at fair prices in exchange for articles which they can produce, and who would do so if our Government would only permit its own citizens to make the exchange without taxing or fining them for bringing the foreign commodity home. We want their products and they want ours, and the trade, instead of being injurious to either, would be highly beneficial to both. But they can not pay us in cash for all they want, nor can we pay them in cash for all we want, and therefore from the very necessity of the case, if we trade at all the transactions must be in the nature of barter—not an actual exchange of one product for another, but sales and purchases between the countries to about the same extent, so that the proceeds of their sales to us will pay for the whole or a large part of what they buy from us. This is the character of all international trade and always will be, for no nation in the world could possibly pay for all its imports in money.

The imports of merchandise into the United States during the last fiscal year amounted to the sum of \$745,131,652, and we paid for them mainly by sending to other countries our surplus agricultural products. We exported and sold in other countries during that year breadstuffs worth \$123,876,061; provisions worth \$104,122,444; raw cotton worth \$237,775,270; unmanufactured tobacco worth \$18,901,068; live animals worth \$18,374,805, making in all \$503,049,648 for these five classes of articles, which all came from our farms. Agricultural products constitute generally about three-fourths of our annual exports, while a very large part of the other fourth consists of petroleum and other oils, coal, and manufactured goods made from free raw material, such as cotton goods, leather, etc. It is obvious that it would be impossible for the people of the United States to send out of the country the sum of \$745,131,652 in a single year to pay for foreign goods, and every one knows they did not do so; and yet one of the arguments constantly made against importations is, that our money ought to be expended at home. It is, in fact, expended at home in the production, preparation, and transportation of the articles we send abroad to pay for the importations; and if these articles were not sent abroad the money could not be expended here, because there would be no market for them and our farmers and others could not afford to produce them.

When our own market is fully supplied with any given article, the production of that article must cease or be carried on at a loss, unless a market for it can be found somewhere else; and this is the great difficulty in the way of many of our most important industries at the present time. They have no market which will pay them for the cost of production under our unwise system of taxation, and yield them a reasonable profit upon their investments. To attempt to remedy this evil by still further increasing the cost of production is simply to begin at the wrong end, and will greatly aggravate the situation.

It can be demonstrated that we have the capacity to produce most of the manufactured staples at less cost and at the same time pay higher wages than can be earned in any other country in the world, but in order to do so we must have some imports from other countries free of duty. If it were not for the excessive cost of production in

this country, caused by the unnecessary taxation of crude and partially manufactured materials which are essential in the processes of our industries, we could export and sell every year large quantities of the products of our shops and factories, after fully supplying the home demand at reasonable prices.

We believe, therefore, that the only manner in which our industries can be helped by legislation at the present time, is to exempt from taxation the materials they are compelled to use, and to reduce proportionately the taxes on finished products, so that all our farmers, mechanics, and manufacturers may be able to compete on equal terms with those of other countries. This is the policy we advocate and which we desire to see inaugurated and completed just as early and as rapidly as circumstances will permit. The capitalist who has invested his money in these industries, the laborers he employs, and the domestic consumer to whom he sells, would all be benefited and nobody will be injured. With untaxed materials, it is evident that they could afford to pay their laborers better wages than they can afford to pay them now, and still sell their products to consumers at lower prices than are now charged.

Besides this, under such a policy, our manufactured products would not be confined, as they are now, almost exclusively to the domestic market, but would enter all the markets of the world and compete successfully with similar products from other manufacturing countries. The opening of these great markets for the sale of our goods would, in our opinion, give constant employment not only to the thousands of laborers now engaged in our manufacturing industries, but would create a demand for many thousands in addition, and unless we are greatly deceived the time would soon come when there would be no importations of finished articles into this country, except such as our own people for climatic reasons could not produce, or do not desire to produce. The only certain and proper way to stop importations of such products is to make them ourselves so cheaply that no foreign competitor can afford to meet us in our own markets, and this we could undoubtedly do with free materials.

According to our view of the subject it is the duty of Congress, in legislating upon matters within the scope of its powers, to pursue that policy which will most certainly promote the growth and prosperity of every legitimate industry in which our people are engaged, and not select a few to be fostered and encouraged at the expense of the others. Agriculture, commerce, manufacturing, and mining are all equally entitled to our consideration.

Those who are engaged in distributing the products of the world, so that they may reach the markets in which the best prices can be obtained, are performing a labor which conduces more than any other one thing to promote the prosperity of the actual producers of merchantable commodities, because without this labor a large part of the fruits of other industries would necessarily be wasted or disposed of at a loss. Any measure, therefore, which strikes a blow at legitimate commerce by placing unreasonable restrictions upon those who are engaged in carrying it on, or by imposing unnecessary taxes or charges upon commodities simply because they are removed from one place to another for sale, is manifestly injurious to every other industry. Any rate of taxation that may be necessary for the support of the Govern-

ment ought to be cheerfully borne, provided its burdens are properly distributed, but taxes imposed purely for the purpose of preventing or of obstructing trade are inexcusable under any circumstances and ought not to be tolerated.

At a time when it is confessed by all parties that the Government does not need additional revenue, but that there ought to be a reduction of its receipts, the bill reported by the majority proposes to levy upon a great many articles of absolute necessity higher rates of duty than were ever heretofore proposed in any measure reported to Congress. These increases of rates are made in every instance for the purpose of restricting trade and thereby affording what is called protection to the producers of similar articles in this country.

The original argument in favor of protective duties was that they were necessary to foster infant industries by preventing ruinous competition from abroad until they could secure a hold on the home market and thus become self-sustaining, and it was again and again predicted by the earlier advocates of the system that a few years of public support would enable them to do this. But the present bill is based upon precisely the opposite view. It is framed upon the assumption that as our industries grow older they grow weaker and more dependent upon the bounty of the Government and the forced contributions of the people who purchase and consume their products; and accordingly we find that, as a general rule, the important increases in the rates of duty are made with a view of still further protecting the products of our oldest industries, such as manufactures of iron and steel, woolen goods, cotton goods, manufactures of flax, hemp, etc.

If it be true that these old industries need more protection now than they needed a hundred years ago, it must be because they have been existing under an unnatural and unhealthy system and have lost that spirit of self-reliance and independence which is essential to the permanent growth and prosperity of every business enterprise. Thirty years ago, after a considerable period of low taxes upon imported goods, when it was proposed to increase rates in order to secure revenue, it was not suggested by the most extreme advocates of the protective system that our industries required anything like such high rates of duty as are imposed by this bill. It devolves upon those advocates now to explain, if they can, why it is that after a low-tariff policy has been abandoned for more than a quarter of a century and a high-tariff policy substituted in its place, the manufacturing and mechanical industries of the country are less able to maintain themselves than they were when the change was made; and when this is done, it will still remain for them to show upon what principle of justice or sound public policy consumers can be periodically subjected to additional taxation—not for the benefit of the Government, which does not want the revenue—but for the exclusive benefit of private business enterprises which are not able to sustain themselves.

The original claim that protection was to be a temporary expedient, and that after the lapse of a reasonable time the masses of the people would be compensated for their previous outlay by obtaining goods made at home more cheaply than they could be obtained abroad, has been entirely abandoned, and it is now avowed that taxation of the many for the benefit of the few is to be the settled policy of the Government, and that this unjust system is to be made more onerous and restrictive from time to time as new objects for its application

may be discovered and as the demands of old industries may increase. Hereafter taxes are to be imposed for the primary purpose of protecting certain private interests against competition, with "incidental revenue" for the Government, and our people are to be deprived of the privilege of purchasing, without paying tribute to somebody, any article which any one or more persons in the United States, however incapable or wasteful, might possibly succeed in producing with the aid of a sufficient tax on their neighbors to establish and maintain them in the business.

For instance, there are a few persons in this country who believe that they could manufacture tin or terne plate if those who use that necessary article were compelled by law to pay a higher tax upon it, and accordingly the bill now reported proposes to more than double the duties. This will injuriously affect the interests of thousands of laborers now engaged in the manufacture of tin cans and other vessels used in canning fruit, vegetables, meats, and fish, in nearly every part of the country, and it will constitute a direct charge upon the producers and consumers of those various kinds of food; but the theory upon which this bill is based takes no account of the welfare of this great mass of American citizens so long as two or three firms or corporations insist that the tax will be beneficial to them.

Again, there are a few persons in the United States who claim that if they had what they call "proper encouragement" they could produce raw silk here, and accordingly this bill proposes to compel all the people to pay out of the public treasury a bounty of \$1 a pound, or \$2,240 per ton, on all the raw silk reeled from cocoons, and 7 cents on every pound, or \$156.80 per ton, of fresh cocoons, including the worms, produced in the United States. Raw silk and cocoons are now on the free list, and last year we imported 5,329,646 pounds of silk and 101,647 pounds of cocoons. The object of the proposed bounty is to discourage those importations, which cost the people nothing unless they saw proper to use silk goods, and to encourage the production of those articles here at an expense of \$1 a pound for the silk and 7 cents a pound for the cocoons, in addition to the actual value of the articles themselves; and this expense is to be charged to all the people, whether they use silk goods or not, and be paid out of the public treasury.

At the same time the bill proposes to make enormous increases in the rates on woolen goods, which all our people are compelled to purchase and use, and very large increases in the rates on some kinds of cotton and linen goods which are absolutely necessary for the health and comfort of all classes.

The increase of taxes on wool and woolen and worsted goods, including carpets, amounts to about \$15,500,000 per annum, estimated upon the importations of the last fiscal year; but in fact it will be many times that amount by reason of the enhanced prices which consumers will be compelled to pay for the domestic product. While the bill proposes to make this large addition to the tax on woolen clothing and carpets, it also proposes to abolish the internal-revenue taxes to the amount of \$8,860,994.75 on manufactured chewing and smoking tobacco and snuff, articles which certainly can not be classed among the necessities of life.

While we would be willing to repeal the internal-revenue taxes on tobacco in connection with reductions upon other articles which the

people are obliged to use, as was proposed in the bill which passed the last House, we can not agree to a measure which provides for the abolition of any part of such taxes and at the same time increases the rates of duty of cotton, woolen, and linen clothing, and on earthenware, glassware, table cutlery, and many forms of iron and steel which can not be dispensed with. Besides, about the only substantial reason that can be urged for the repeal of the tax on tobacco is the fact that the governmental supervision and control necessary to enforce its collection is a constant source of vexation and annoyance to those engaged in manufacturing that article. A mere reduction of the tax from 8 cents to 4 cents per pound does not dispense with this supervision and control to any extent whatever, nor does it diminish to any extent the expense of collection. The same supervision, the same books and forms, the same bonds, oaths, and penalties, and the same number of officials will be required to collect 4 cents per pound that are required to collect 8 cents per pound.

We can not undertake here to point out in detail the numerous increases in the rates of duty on imported goods which this bill proposes to make, but a few will suffice to show the general character of the measure and the purpose of its authors and supporters. The lowest grades of woolen yarn, worth not over 30 cents per pound, are to be subjected to a duty of 112 per cent, while the most costly yarn will pay 72 per cent. One grade of coarse, cheap blankets will be required to pay 106 per cent, but the finest blankets will pay 72 per cent. The coarsest and cheapest woolen hats will be subject to a duty of 111 per cent, and the finest to 66 per cent. Women's and children's cheapest dress goods with cotton warp are to be taxed 106 per cent, and the finest 73 per cent. The lowest grade of woolen cloths will pay 125 per cent, and the highest grade 86 per cent. The cheapest qualities of knit goods for underwear range from 112 to 138 per cent, but the finest and most expensive will pay 78 per cent. Woolen shawls of the coarsest and lowest grade used by the poorest people, will pay 135 per cent duty, and worsted goods of the lowest grade will pay 130 per cent, while the highest grade will pay 90 per cent.

There are many increases of the rates on iron and steel and scarcely any reduction on articles which can be imported at all under the existing rates. The reductions in this schedule, as a general rule, will not diminish taxation to any appreciable extent, while all the increases are so arranged as to obstruct importations and enhance the prices of the domestic articles of the same kind. On common table cutlery the new rates of duty imposed by this bill are very largely in excess of the old ones under which our manufacturing establishments have been successfully carried on for many years, and on the cheaper grades of pocketknives, and razors especially, the rates are greatly increased.

When the existing tariff was enacted in 1883, large increases were made in the rates of duty on earthenware and glassware, and this was justified upon the ground that the law then passed abolished the duty upon the packages in which these articles were shipped to this country; and it was contended that in view of this fact the actual net increase of duty would be comparatively small. Experience has shown, however, that notwithstanding the abolition of the duty on packages there was a large increase of taxation in this schedule under that act, and therefore there ought now to be a reduction even if the packages remain free. But at the present session of Congress a bill

has passed the House, and is now pending in the Senate, reimposing the duties on the packages, and the bill reported by the majority proposes to make still further increases in the rates of duty upon the goods, especially upon glass and glassware. Common window glass, not exceeding 16 by 24 inches square, is increased to 123 per cent; not exceeding 24 by 30 inches square, it is raised to over 135 per cent; and all sizes above that are raised to over 138 per cent, while there are very large increases upon bottles and various other manufactures of glass.

Camel's hair, a raw material extensively used in this country in the manufacture of certain kinds of goods, and which has been admitted free of duty for a great many years, is by this bill taken from the free list and subjected to a tax of 12 cents per pound, which is equivalent to 77 per cent ad valorem. During the last fiscal year we imported, free of duty, 6,648,097 pounds of this material, which is absolutely necessary to enable some of our manufacturing establishments to carry on their business and supply the goods they are now making for their customers; but if this bill passes and the same quantity is imported next year it will cost the people \$797,771.64 in addition to the value of the hair itself. The imposition of this duty, like the imposition of all other duties on raw materials, works a double injury. In the first place it imposes an unnecessary burden upon the consumers, who in the end pay all the duties with profits added, and in the second place it destroys the power of the domestic manufacturer to compete with his foreign rival in the production of the goods into which the taxed material is converted.

We have for a long time been endeavoring to increase our trade with the people of Central and South America and Mexico, and at our request an international conference is now being held to devise means for the accomplishment of this result. The people of all these countries had a right to suppose that this Government was acting in good faith when it invited them to send their delegates here, and that nothing would be done by us to disturb the harmony of their deliberations or prevent the success of their mission; but in the midst of their consultations, and when it was earnestly hoped that some practicable plan might be agreed upon for the establishment of closer commercial relations, this bill is reported containing provisions which will not only retard reciprocal arrangements for the future but destroy a large part of the trade now existing between this country and some of our neighbors on the south.

The bill proposes to make large increases in the duties on carpet wools, and take silver ores containing lead from the free list and subject the lead contained in the silver ore to a duty of $1\frac{1}{2}$ cents per pound, not because we need the revenue, but for the sole purpose of preventing these articles from being imported into this country. Last year we imported direct from the states and republics of Central and South America and the Republic of Mexico many million pounds of this wool, and still more by way of London and other European ports, and from Mexico silver ores bearing lead of the value of \$6,779,160. Our total importations of carpet wools from all countries amounted to 96,556,466 pounds, and our total importations of this kind of ore was \$6,951,719. All this wool has been converted into carpets and other fabrics, and all these ores have been smelted in the United States by American workmen, and their importation has been

of great benefit to our people, in addition to the profit realized from the trade between the different countries. The free admission of fluxing ores from Mexico has enabled our citizens to establish and maintain large smelting works at El Paso, Tex., Argentine, Kans., Newark, N. J., Kansas City, Mo., and a great many other places. If this bill passes, the tax upon 66,000 tons of silver ore, the amount imported last year, will be over \$672,000, which the Government does not need and which will benefit nobody in this country.

The bill in fact increases the rates of duty on all classes of wool imported into this country. These increases have been made principally upon the demand of a few large flock masters in the State of Ohio, and they will be defended by the majority upon the alleged ground that they are beneficial to the farmers of the country who keep sheep on their lands. The fact is that wool is one of our least important agricultural products in point of actual value and by comparison with others, even in the State of Ohio. It does not amount to more than 3 per cent of the total value of farm products in that State, from which comes the most constant and urgent demand for high rates of duty, and it is still less in other States.

According to the statistics furnished by the assessors of every township in Ohio to the Secretary of State, as shown by his report in the year 1888, the wool product of the preceding year was 20,556,357 pounds, worth certainly not more than \$6,000,000. The product of eggs for the same year was 42,355,099 dozens, worth fully as much as the wool and probably more. The wheat product was 34,364,174 bushels, worth \$25,000,000; corn, 83,118,838 bushels, worth more than \$30,000,000; hay, over \$2,500,000 tons, worth between \$25,000,000 and \$30,000,000, and there were many other agricultural products worth more than the wool. The total wool product of the State amounted to about 5 pounds per head of its own population, while the average consumption of wool by the people of this country is about 10 pounds per head, including the wool produced here, the raw wool imported, and that contained in imported woollen fabrics.

Ohio is a rich and prosperous State, situated in a comparatively cold part of the country, and the consumption of woollen goods by its people is far above the average. It is, therefore, quite certain that for every pound of wool produced in that State 2 pounds or more are consumed in the form of clothing worn by the people and other woollen fabrics used by them. Consequently we have in this bill a proposition to compel the people of that State to pay high taxes on at least 10 pounds of wool contained in the woollen goods they buy in an attempt to raise the price of 5 pounds of wool they produce, and the disproportion between the actual burden imposed and the supposed benefit conferred is even greater than this in most of the other States of the Union.

For the further purpose of inducing the farmers of the country to believe that they can and will derive some benefit from the protective policy, this bill imposes various rates of duty upon certain important agricultural products, which it is well known could not be imported to any material extent with or without duty. For instance, corn is subjected to a duty of 15 cents a bushel; corn meal, 20 cents per bushel; oats, 15 cents per bushel; rye, 10 cents per bushel; wheat, 25 cents per bushel; wheat flour, 25 per cent ad valorem; apples, green or ripe, 25 cents per bushel; apples, dried, 2 cents per pound; bacon

and hams, 5 cents per pound; beef, mutton, and pork, 2 cents per pound; lard, 2 cents per pound, and tallow, 1 cent per pound. We produce a great surplus of all these articles and many others every year, which we are compelled to send abroad and sell in the free markets of the world in competition with similar products from other countries.

It is impossible to protect the farmer against foreign competition in his home market, for he has no such competition, and the insertion or retention of these articles in a tariff bill is a device which will deceive no one who gives a moment's thought to the subject. During the last fiscal year we exported 69,592,929 bushels of corn and imported only 2,388 bushels, not more than can be produced on 50 acres of good land in this country. We exported 312,186 barrels of corn meal and imported 396 bushels. Our exports of wheat amounted to 46,414,129 bushels, and our imports amounted to 1,946 bushels and our exports and imports of the other articles mentioned were as follows: Oats, exports 624,226 bushels, imports 22,324 bushels; rye, exports 287,252 bushels, imports 16 bushels; wheat flour, exports 9,374,803 barrels, imports 1,155 barrels; apples, green or ripe, exports 942,406 barrels, imports, none reported; apples, dried, exports 22,101,579 pounds, imports, none reported; bacon and hams, exports 400,224,646 pounds, imports 272,130 pounds; beef, mutton, and pork, exports 286,991,121 pounds, imports 215,575 pounds; lard, exports 318,242,990 pounds, imports 1,073 pounds; tallow, exports 77,844,555 pounds, imports 34,931 pounds.

This statement shows how futile it is to attempt to afford protection to the farmers of the country by imposing duties upon the importations of these products, and this large and intelligent class of citizens can not be reconciled in this way to a policy which increases taxes upon their clothing, table ware, carpets, earthenware, glassware, agricultural implements, and other necessary articles. Among other things upon which the duties are increased by this bill are iron and steel rods used in the manufacture of fencing wire, an article of absolute necessity to the farmers of the West, and of hoop or band iron or steel, cut to length, or wholly or partly manufactured into hoops or ties for baling purposes, including hoops for barrels. The increase of duty upon these cotton ties and barrel hoops amounts to \$717,141, and makes the rate 114 per cent instead of the existing rate of 35 per cent. The importations of these articles last year amounted to 67,573,062 pounds, which was all used by our coopers and by the producers of cotton, three-fourths of which has to be exported and sold abroad where no allowance is made for the weight or the cost of the ties.

Under existing law animals for breeding purposes are admitted free of duty and all others are subject to a tax of 20 per cent ad valorem; but the bill reported proposes largely to increase this tax and make it specific. It is proposed to levy an import duty of \$30 per head on all horses and mules; \$10 per head on all cattle over one year old, and \$2 per head on all under that age, and \$1.50 per head on hogs and sheep. Horses, valued at \$150 and over, will pay a duty of 30 per cent, and all animals imported specially for breeding purposes will still be admitted free, but they must be of pure blood, of a recognized breed, and must have been duly registered abroad in the book of record established for that breed. All these increases of duties are

claimed to be in the interest of farmers, but in fact they will be vastly more injurious to them and to dairymen than to any other class of our people.

Last year we imported dutiable horses to the number of 52,454, of the average value of \$42.81; cattle, 62,380, of the average value of \$9.68; hogs, 2,396, of the average value of \$3.28; and sheep, 454,010, of the average value of \$2.98. These animals were brought here mainly, if not entirely, by the farmers themselves, or on their account, to replenish their stock of work beasts, milch cows, and sheep herds. This is evident, we think, from the low prices of the animals and the localities from which they were imported. For instance, nearly all the horses imported came from Mexico and from Quebec, Ontario, Manitoba, and the Northwest Territory, and the average value of the 29,590 bought from Mexico was \$8.80, while the average value of the 17,470 brought from the Dominion was only a little over \$100. These were not expensive animals imported for racing purposes, or for use in pleasure carriages, but ordinary stock such as is used upon our farms; and it is evident that the importations from Mexico were ponies for use on the sheep and cattle ranches of the West. The duty on these Mexican horses last year amounted to \$52,369, but if this bill passes, and the same number is imported next year, the duty will amount to \$887,700, or nearly three and a half times their value.

The farmer or dairyman who hereafter imports common cattle for his own use will be required to pay a duty of over 100 per cent, according to the average value of the importations last year, and he can not import an ordinary animal of any kind for breeding purposes free of duty, as fine stock may be imported, because such an animal is not pure bred, and is therefore not registered abroad. How the farmers are to be helped by the increased duties on live animals we are wholly unable to see, and, in our opinion, if this bill passes they will be the first to demand a restoration of the old rates, or that these importations be made free.

While the imposition of these duties on live animals and other agricultural products can not possibly do our farmers any good at home, the increases made by this bill on manufactured and other articles which we import will certainly be a great injury to them abroad in the markets where they are compelled to sell their surplus. Such a policy is certain to provoke retaliatory legislation by the countries to which we export our agricultural products, and already France, Germany, and other countries have made discriminations against us which have severely affected the sale of our breadstuffs and provisions. If this bill passes, the Dominion of Canada, the Republic of Mexico, and the various governments of Central and South America will almost certainly pursue the same course, and as a result of this commercial warfare the farmers will soon find themselves without a market for their surplus products either at home or abroad.

No reduction has been made in the amount of duties imposed under any schedule except that relating to sugar and molasses. In all the other thirteen schedules of dutiable goods, embracing almost every important article the people use, except tea and coffee, which have been free for many years, increases are made, and in many of them the increase is very large.

The bill proposes to admit, free of duty, all sugar up to and including No. 16 Dutch standard in color, and pay to the sugar producers in this country a bounty of 2 cents per pound each year until July 1, 1905, on their product. Last year these grades of sugar, which are now made free, yielded to the Government \$54,894,181, all of which is now to be surrendered, and the sugar industry is to become an annual charge upon all the people who are engaged in other occupations, some of which are far more important and all of which are fully as meritorious as this one.

In 1888, which is the last year for which we have complete returns, the sugar product in this country was 375,855,877 pounds, so that even if there should be no increased production under the bounty system the sum which the people are to be compelled to donate each year for the support of this favored industry will be \$7,520,000, or \$113,000,000 during the fifteen years. But the very object of the bounty is to encourage the production of this article, and its advocates claim that in a few years it will result in a domestic supply equal to the whole demand for home consumption. In addition to the home product we imported and consumed during the last fiscal year 2,700,421,302 pounds of sugar not above No. 16 in color, making a total annual consumption, including domestic and imported, of 3,076,277,079 pounds, and therefore, if the system results as its advocates predict, the annual payment out of the Treasury will be \$61,528,426, even without any increase in the amount now consumed.

We protest against the gross favoritism and injustice of such a policy, and we deny the moral or constitutional right of the Government to tax the people who grow corn, wheat, cotton, rye, oats, and other agricultural products for the purpose of raising money to be given to those who produce sugar or any other article. The bounty provisions contained in this bill are confessions that the whole system which it seeks to strengthen and extend is a system of discriminations between the various productive industries of the country—a system which imposes charges upon some for the support of others, and disregards every principle of justice and equality in distributing the burdens of taxation.

The duties imposed upon imported sugar, even at the present rates, are mainly for revenue, and about nine-tenths of the charge upon the people on account of these duties goes into the public Treasury for the support of the Government, and only about one-tenth can be added to the prices of the domestic product. The tax, therefore, is far more just and equitable than the taxes on cotton and woolen goods, linen goods, and many other articles now subject to high rates of duty, and which this bill proposes to make still higher, because in these cases the conditions are reversed, and the Government receives a small proportion only of the total amount the people are compelled to pay. While we believe the duties on sugar are too high, and that a reduction ought to be made, we can not see the justice or propriety of making this revenue article entirely free and paying bounties upon its production, in order to afford an excuse for the imposition of additional taxes to the amount of about \$65,000,000 on the necessities of life embraced in the other schedules.

It is impossible to state with entire accuracy how much the bill increases taxes upon imported goods, for the reason that there are many large increases of taxation made by it which are not exhibited

in the tables submitted by the committee. Those tables show that, omitting the sugar schedule, there has been added to the duties on the articles still remaining on the dutiable list the sum of \$40,055,152.33; but in addition to this, after January 1, 1894, the duties on brown and bleached linens, ducks, canvas, handkerchiefs, or other woven fabrics, composed of flax, hemp, or jute, or of which flax, hemp, or jute, or either of them, shall be the component material of chief value containing one hundred or more threads to the square inch, counting either the warp or filling, will be increased to the amount of \$1,574,954.57 more than is shown by the tables; and after July 1, 1891, the duty on tin or terne plate will be \$8,371,378.67 greater than it was last year upon the same importation, and the increase in the tobacco schedule, is, as nearly as we can calculate it, \$6,551,855.41 more than the tables show.

In our opinion the increase in the tobacco schedule, resulting mainly from the imposition of a duty of \$2 per pound on unstemmed leaf for cigar wrappers, will be \$16,305,925 instead of \$9,754,069.59, as shown by the tables, and we are confident that an analysis of our importations of that article for a series of years past will sustain our position.

Even the comparatively brief examination we have been able to make has disclosed other increases not shown by the calculations contained in the tables, amounting to more than \$8,000,000, and there are many others which can not be accurately ascertained for the want of sufficient data as to prices and quantities of importations last year. Adding these amounts to the \$40,055,152.33, shows a total increase of duties on articles still dutiable, outside of the sugar schedule, of about \$65,000,000, and we are satisfied it is more than that.

We do not mean to assert that the bill actually increases the customs revenue \$65,000,000 over what it is under existing law, but that it proposes to impose upon the articles it leaves upon the dutiable list, except sugar and molasses, that sum in excess of the amount collected on the same schedules last year. It places upon the free list articles which yielded a revenue of \$6,039,969 during the last fiscal year, and it makes a reduction of \$54,922,110.56 on sugar and molasses, and these two sums, amounting to \$60,962,079.63, being deducted from the \$65,000,000 leave a net increase of more than \$4,000,000 in tariff taxation under this bill.

While the bill proposes to transfer from the dutiable schedules to the free list articles which last year yielded a revenue of \$6,039,969.07, it proposes also to transfer from the free list to the dutiable list certain articles, principally raw materials used in manufactures, which, according to the importations during the last fiscal year, will yield a revenue of nearly \$3,500,000.

No system of taxation based on the theory of this bill can possibly operate equally on all the people, or be to any extent beneficial to all the people. If all were taxed alike for the purposes of protection, each one being taxed the same amount for the benefit of all the others, it is clear that the operation would help no one, for all would be left in the same situation in which they were before; and if all are not taxed alike, it is equally clear that injustice must be done to somebody.

Such taxation must, therefore, be unequal and unjust or it can not possibly accomplish the purpose for which it is designed. Its fundamental principle is that certain occupations or classes of occupations can not be profitably carried on without assistance from others, and

that the others must be forced by law to assist them by contributing money in the form of enhanced prices for their products. Whether these enhanced prices are to be temporary only, or permanent, does not in the least affect the accuracy of the statement or the force of the argument, for in either case they are sustained by contributions which the consumers are compelled by law to make.

This is not the proper way to establish and maintain a prosperous and independent industrial system in this country, and the longer it is persisted in the more apparent its injustice and impolicy will become. We are aware of the fact that every law imposing duties upon imported goods must affect our domestic industries to some extent, and we are in favor of such legislation upon this subject as will help all as much as possible without injury to any. In our opinion, the exercise of a just discrimination in the selection of the subjects of taxation and in fixing the rates of duty to be imposed upon each would enable the Government to realize from this source of revenue ample means for its own support and at the same time greatly improve the present condition and prospects of all our citizens who have invested their means or embarked their labor in manufacturing, mining, agriculture, and commerce.

While we would gladly cooperate with the majority in the passage of any measure which would relieve the people from unnecessary taxation, promote the prosperity of our various industries, and secure ample wages and steady employment to the laborers engaged in them, we feel constrained to make an earnest protest against this bill, because in our opinion it will not accomplish any of these desirable results.

J. G. CARLISLE,
R. Q. MILLS,
BENTON McMILLIN,
C. R. BRECKINRIDGE,
ROSWELL P. FLOWER.

VIEWS OF MR. McKENNA.

Mr. McKenna submits the following views on the bill proposed by the majority of the Committee of Ways and Means:

I dissent from the sugar schedule of the bill. I do it with regret—regret to dissent from colleagues—greater regret that principles which should be universally and impartially applied are partially and discriminatingly applied.

The bill in its sugar schedule makes an arbitrary and invidious distinction between the sugar industry and other industries, a distinction inconsistent with the principle upon which the bill is framed and upon which it can only be justified.

Protection, as understood politically, is the clear right of all industries or of none. The means of it is a tariff, not largess from the Treasury. The distinction is not one of words. It is a distinction firm and clear in substance and effect.

A tariff may be a tax. A bounty is certainly one, fixed and unavoidable, and increases with the production it encourages. A tariff tax lessens with the production it encourages, and finally vanishes in the competition of home producers.

A bounty abandons the home market to the foreign product; a tariff secures the home market to the home product. A bounty, therefore, is as useless as it is burdensome, and as odious as it is useless.

It is not Republican. It has no justification in either the practice, the principles, or the professions of the Republican party. The platform of the party, and which it was elected to execute, proclaimed that before protection—tariff protection—should be sacrificed, the internal-revenue system should be destroyed.

If a bounty is useful for sugar, why not for other things? In all the range of articles with which the bill deals are none fit for a bounty but sugar? What relief does it give consumers of sugar that it can not give to consumers of other things? The bill protects even the hope of a production of some articles. Sugar is an established industry in four States, and yet is denied protection.

Great principles should not be played with this way. They are not so flexible to men's passing interests.

If a bounty is a tax of less burden than is a tariff, why are sugar consumers selected for favor?

Is sugar the only article used in this country that is higher in price than in the markets of the world? Make this the test. Contemplate the citizen as a consumer only (and at a special time), and there is an end of a protective tariff. The Republican House of Representatives should not set this example. Who can say where the contagion of it will stop?

What is the excuse for free sugar? Is it that beet sugar is a new industry, and are new industries not to be protected? The whole bill is a contradiction of this. If the fathers of the Republic had so thought and acted this nation may yet have been feebly struggling along the Atlantic seaboard, not even a strong market for Europe. Even John Stuart Mill, one of the most distinguished advocates of *laissez faire*, admits a protective duty is defensible "in hopes" (mark the word) "of naturalizing a foreign industry in itself perfectly suitable to the circumstances of the country."

The beet-sugar industry is not only suitable to the circumstances of the country, but of all the range of protective industries not one offers such brilliant prospects of good. The bill protects and justly protects agricultural products, and with singular inconsistency, almost perverse inconsistency, denies protection to an industry in which the farmer is interested the most.

In the expense account of the beet-sugar factory at Alvarado, Cal., for 1889 was \$105,416.48. Of this amount \$41,893.50 were paid directly to farmers for beets; \$27,790.57 directly for wages in factory and salaries. The other expenses, such as limestone and fuel, went for wages paid indirectly to labor.

Not only California, but other States with not half her varied and rich resources, can be dotted and embellished with beet-sugar factories paying like relative amounts of their expenditure to farmers and diffusing prosperity everywhere.

Must an industry be able to supply the home consumption before it is entitled to protection? And the sugar industry, it is asserted, has not done this. Other industries have not done this; industries which have been protected in every tariff measure which has been enacted and which are protected in the present bill; industries which, instead

of increasing have decreased, and are decreasing, and have received additional protection from the bill presented by the majority of the committee because such industries have decreased and are decreasing. The cane-sugar industry is expanding and is capable of expansion.

One of the accusations against the present law is, one of the accusations against the proposed bill will be, that it retains the duties levied for war expenditures. Why? If sugar is to be placed on the free list, it will be puzzling to answer the why.

It is submitted, then, upon every principle upon which a protective duty can be applied to any American industry, it must be applied to sugar. Upon every principle upon which a protective duty can be denied to sugar it must be denied to every other American industry. Protection must be universal, or not at all. It must be national, or not at all.

The bill presented gives a bounty to silk cocoons and raw silk. It is as objectionable as a bounty on raw sugar.

J. McKENNA.

WILSON REPORT, 1893.

[House Report No. 234, 53d Congress, 2d Session.]

TO REDUCE TAXATION, TO PROVIDE REVENUE FOR THE GOVERNMENT, AND FOR OTHER PURPOSES.

DECEMBER 19, 1893.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WILSON, of West Virginia, from the Committee on Ways and Means, submitted the following report to accompany H. R. 4864:

The Committee on Ways and Means, to which have been referred sundry House bills imposing or regulating custom duties upon articles imported into the United States from other countries, have prepared and herewith present a bill which contemplates a general revision, reduction, and simplification of our system of import duties, and submit it with the following explanatory statement:

The American people, after the fullest and most thorough debate ever given by any people to their fiscal policy, have deliberately and rightly decided that the existing tariff is wrong in principle and grievously unjust in operation. They have decided as free men must always decide, that the power of taxation has no lawful or constitutional exercise except for providing revenue for the support of Government.

Every departure from this principle is a departure from the fundamental principles of free institutions and inevitably works out a gross inequality in the citizenship of a country. For more than thirty years we have levied the largest part of our Federal taxes in violation of this cardinal truth, until we have reached in the existing tariff an extreme and voluminous system of class taxation to which history may be challenged to furnish any parallel. So many private enterprises have been taken into partnership with the Government; so many private interests now share in the rich prerogative of taxing seventy millions of people, that any attempt to dissolve this illegal union is necessarily encountered by an opposition that rallies behind it the intolerance of monopoly, the power of concentrated wealth, the inertia of fixed habits, and the honest errors of a generation of false teaching.

The bill on which the committee has expended much patient and anxious labor is not offered as a complete response to the mandate of the American people. It no more professes to be purged of all protection than to be free of all error in its complex and manifold details. However we may deny the existence of any legislative pledge or the right of any Congress to make such pledge for the continuance of duties that carry with them more or less acknowledged protection, we are forced to consider that great interests do exist whose existence and prosperity it is no part of our reform either to imperil or to curtail. We believe, and we have the warrant of our own past ex-

perience for believing, that reduction of duties will not injure, but give more abundant life to all our great manufacturing industries, however much they may dread the change. But in dealing with the tariff, as with every other long-standing abuse that has interwoven itself with our social or industrial system, the legislator must always remember that in the beginning temperate reform is safest, having in itself "the principle of growth."

A glance at the tariff legislation of our own country ought to satisfy every intelligent student that protection has always shown its falsity as a system of economy in its absolute failure to insure healthy and stable prosperity to manufactures. It teaches men to depend on artificial help, on laws taxing their countrymen, for prosperity in business rather than upon their own skill and efforts. It throws business out of its natural channel into artificial channels where there must always be fluctuation and uncertainty, and it makes a tariff system the football of party politics and the stability of large business interests the stake of every popular election. None have recognized this truth more fully than the wiser men who from time to time have engaged in the so-called protected industries.

Years ago Mr. Edward Everett stated, in an oration at Lowell, that the sagacious men who founded the manufactures of New England were never friends of a high-tariff policy. The Hon. Amasa Walker, a former member of this House from Massachusetts, and one of our foremost writers on economic questions, declared it to be within his own personal knowledge that when the proposal was made to impose the protective tariff of 1816, the leading manufacturers of Rhode Island, among whom was Mr. Slater, the father of cotton spinning in this country, met at the counting room of one of their number, and, after deliberate consultation, came unanimously to the conclusion that they had rather be let alone; their business had grown up naturally and succeeded well, and they felt confident of its continued prosperity, if let alone by Government. They argued that by laying a protective tariff their business would be thrown out of its natural channels and subjected to fluctuation and uncertainty. But, as usual, the clamor of selfish and less farsighted men, and the ambition of lawmakers to usurp the place of Providence prevailed. The country entered on a protective policy with the unfailing result that government help begot a violent demand for more government help. The moderate tariff of 1816 rapidly grew into the "tariff of abominations" that carried the country to the verge of civil discord, and provoked a natural revulsion. Protection has run a like course since 1861.

When Congress began to repeal war burdens and to relieve manufacturers of the internal taxes, which they had used to secure compensating duties on like foreign products, there arose a demand throughout the country, without respect to party, for a reduction of the war tariff. Unable to resist this demand, the protected industries baffled and thwarted any reduction of consequence until 1872, when they defeated a House bill that did make a substantial reduction by substituting a Senate bill which carried a horizontal cut of 10 per cent. As soon, however, as the elections of 1874 gave the next House to the Democratic party that reduction was repealed by the outgoing Republicans, and rates restored to what they were before 1872.

And although the demand for tariff reform and for reduction of taxes has ever since been a burning and a growing one in the country, the protected industries have exacted and received from every Republican Congress elected since 1874, an increase of their protection, occasionally permitting the repeal or the lessening of a tax that was paid into the Treasury in order to keep away from or to increase duties levied for their benefit. Protection left to its natural momentum never stops short of prohibition and prohibitory walls are always needing to be built higher or to be patched and strengthened.

A protective tariff never has and never can give stability and satisfaction to its own beneficiaries. Even if its victims are too weak or scattered to agitate for its decrease, those beneficiaries are sure to agitate for an increase. When the reform tariff of 1846 was before Congress the air was full of prophecies that it would destroy our manufacturing industries, throw labor out of employment, or compel it to work at pauper wages, and dwarf and arrest the prosperous growth of the country. Every representative of the four chief manufacturing States of New England voted against it with gloomy forebodings of its blighting effect. The rate of duties provided in that tariff was much lower than those of the bill we here offer. What was the result? Instead of paralyzing the industries and pauperizing the labor of New England and other sections of the country the tariff of 1846 gave immense vigor to manufactures, with steady employment and increasing wages to labor. So that after eleven years' experience under it (the longest period of stability we have ever enjoyed under any tariff), the representatives of the New England States, with practical unanimity, voted for a further reduction of 20 per cent, and by a two-thirds vote sustained the tariff of 1857, which made a reduction of nearly 25 per centum.

And so well contented and prosperous were the manufacturers of the country under the low rates of the tariff of 1857, that when the Morrill bill of 1861 took the first backward step there was a general protest against it. The Hon. Alexander Rice, of Massachusetts, said in the House.

The manufacturer asks no additional protection. He has learned among other things, during his pilgrimage of tribulation, that the greatest evil next to a ruinous competition from foreign sources is an excessive protection which stimulates a like ruinous and irresponsible competition at home. (*Congressional Globe*, 1859-60, p. 1867.)

Mr. Sherman, of Ohio, said:

When Mr. Stanton says the manufacturers are urging and pressing this bill, he says what he must certainly know is not correct. The manufacturers have asked over and over again that they should be let alone. (*Ibid.*, 2053.)

Mr. Morrill himself has since said that the tariff of 1861 was not asked for, and but coldly welcomed by manufacturers. (*Congressional Globe*, 1869-70, p. 3295.) Senator R. M. T. Hunter, of Virginia, chairman of the Senate Finance Committee, said:

Have any of the manufacturers come here to complain or ask for new duties?
* * * Is it not notorious that if we were to leave it to the manufacturers of New England themselves, to the manufacturers of textile fabrics, hardware, etc., there would be a large majority against any change? Do we not know that the woolen manufacture dates its revival from the tariff of 1857, which altered the duties on wool? (*Cong. Globe*, p. 3010.)

The history of American industry shows that during no other period has there been a more healthy and rapid development of our

manufacturing industry than during the fifteen years of low tariff from 1846 to 1861, nor a more healthy and harmonious growth of agriculture and all the other great industries of the country.

No chapter in our political experience carries with it a more salutary lesson than this, and none could appeal more strongly to lawmakers to establish a just and rational system of public revenues, neither exhausting agriculture by constant bloodletting nor keeping manufactures alternating between chills and fevers by artificial pampering. In this direction alone lies stability, concord of sections, and of great industries.

We have already said that public discussion may disclose errors of minor detail in the schedules of our bill. To escape such errors would require so thorough and minute a knowledge of all the divisions, subdivisions, complex and manifold mazes and involutions of our chemical, textile, metal, and other industries that no committee of Congress, no matter how extended the range of their personal knowledge or how laborious and painstaking their efforts, could ever hope to possess. We have not forgotten that we represent the people, who are the many, as well as the protected interests, who are the few, and while we have dealt with the latter in no spirit of unfriendliness, we have felt that it was our duty, and not their privilege, to make the tariff schedules.

Those who concede the right of beneficiaries to fix their own bounties must necessarily commit to them the framing and verbiage of the laws by which those bounties are secured for them. A committee of Congress thus becomes merely the amanuensis of the protected interests. It has been shown so clearly and so often in the debates of this House that nearly every important schedule of the existing law was made in its very words and figures by representatives of the interest it was framed to protect that it is unnecessary in our report to present the record proof of this fact, but it may not be amiss to cite further evidence to show that this is not only the necessary rule, but the open and avowed method of framing protective tariffs. When the Senate substitute for the bill passed by this House in the Fiftieth Congress, which substitute is the real basis of the existing law, was being prepared, Senator Hoar, of Massachusetts, appeared before the Senate subcommittee and used this language:

Instead of coming before your subcommittee for a formal hearing on our Massachusetts industries I thought the best way was to carefully prepare a table of all the various industries, perhaps some sixty or seventy in all, and ask Brother Aldrich to go over them with me and ascertain what the people wanted in each case, and if there were any cases where the committee had not already done *exactly what the petitioners desired*, or had not inflexibly passed upon the question, I could have a hearing before you, but I find in every instance the action of the committee, as Mr. Aldrich thinks it likely to be, *is entirely satisfactory to the interests I represent*, with the exception of one or two, and the papers in regard to those cases I have handed to Mr. Aldrich.

No stronger indictment of the whole protective system could be made than that which is unconsciously carried in these words of a United States Senator, that laws which impose taxes on the great masses of people must be written in language so technical that the most intelligent citizen can not fully understand them, and that the rates of taxation should be dictated by the selfishness and greed of those who are to receive the taxes.

We have believed that the first step toward a reform of the tariff should be a release of taxes on the materials of industry. There can be no substantial and beneficial reduction upon the necessary clothing and other comforts of the American people, nor any substantial and beneficial enlargement of the field of American labor as long as we tax the materials and processes of production. Every tax upon the producer falls with increased force on the consumer. Every tax on the producer in this country is a protection to his competitors in all other countries and so narrows his market as to limit the number and lessen the wages of those to whom he can give employment. Every cheapening in the cost or enlargement of the supply of his raw materials, while primarily inuring to the benefit of the manufacturer himself, passes under free competition immediately and passes entirely to the consumer, who very soon gets even more benefit out of it than such reductions seem to carry, because with the rapid widening of his market the manufacturer is able to sell at a smaller profit. It is therefore a very narrow and shortsighted view which supposes that we release the duties on iron ore and coal and wool and other like articles solely for the benefit of those who manufacture our iron, steel, woolen, and other fabrics.

We are legislating for the great millions of consumers beyond them and for the scores of thousands of laborers to whom they may thus give steady and well-paid employment. It is no less a narrow and short-sighted view which supposes that a removal of the tariff duties on such necessities of industry will inflict any real loss upon those who produce them in our own country. The enlargement of markets for our products in other countries, the increase in the internal commerce and in the carrying trade of our own country will insure a growing home market for all these things that will quickly outstrip anything they could have under the protective system.

Iron and coal are the basis of modern industry. The abundance and cheapness of their supply offers us, in many lines of production, the manufacturing supremacy of the world. While the mines of other countries are becoming exhausted, and the cost of mining in consequence is increasing, we are constantly discovering and developing new sources of supply. The discovery of the immense beds of Bessemer ore in the lake region and of foundry ores in several of the Southern States, their convenience for transportation and for the assemblage of materials, the use of the steam shovel in mining, all these have so cheapened the cost of producing pig iron and steel as to take away all possibility and danger of foreign competition in almost every part of the country.

Not less rapid has been the growth of our coal production. The coal area of the United States, as stated by Mr. Saward in *The Coal Trade for 1893*, is estimated at 192,000 square miles, of which 120,000 can be profitably worked at present. This coal area is over three times larger than that of the rest of the world combined. The existing duty of 75 cents a ton on iron ore and on bituminous coal can not be justified either as a protective or a revenue duty. The importations into this country are too small to add materially to our revenue, while no one contends that the cost of mining is higher in the United States than in the countries that might seek our market; and we have a growing export trade for coal and coke.

It could never have been intended that a Constitution which establishes perfect freedom of internal trade among the States should countenance laws that hold one section of the Union, however remote, tributary to other sections for the supply of those necessary materials whose location is ordained by natural law and not by human choice.

This House in two Congresses in recent years having, after full debate passed laws putting wool upon the free list, it is not deemed necessary in this report to attempt a restatement of the reasons for doing so. It is enough to say that the tariff upon wool, while bringing no real benefit to the American woolgrower, least of all to the American farmer, who, in any balancing of accounts, must see that he yearly pays out a good dollar for every doubtful dime he may receive under its operation, has disastrously hampered our manufacturing industry and made cruel and relentless war upon the health, the comfort, and the productive energy of the American people. Logs are already on the free list. We have gone a step farther and put undressed lumber generally on that list. This may serve to cheapen and improve the dwelling houses of some of our people, but it is justified if it shall accomplish nothing more than to delay the rapid destruction of American forests.

We have also placed hemp and flax, unhackled, on the free list, for the reasons stated above, that we may give to the American workingman untaxed material to work with, and that we may give the finished product as far as possible to the consumer with but a single tax, and that a moderate one, instead of a medley and cumulation of taxes gathered during the process of production. In addition to these so-called raw materials we have released from tariff duties certain important articles and manufactures which we have shown our capacity to produce more cheaply than any other country, such as pig copper and the important agricultural implements. Any article of manufacture which can sustain the competition of like foreign articles in other markets can defy such competition in the home market, and is not protected by the duty, but by its own intrinsic superior cheapness or quality.

The only effect of a duty on such articles is to enable those who make them to charge higher prices to the citizens of their own country than they charge to foreigners, and this has been notoriously the case with both copper and many agricultural implements. In adjusting duties upon what may be called the finished products, we have tried to impose such rates as will not destroy or distress any of our home industries on the one hand nor on the other secure to them an absolute and oppressive monopoly of the home market. For this rule we have the recognized authority both of well-known and leading tariff reformers and of those who in days past were considered moderate protectionists. The late Senator Beck said:

In adjusting taxation on imports with a view only to obtain revenue or for revenue only, we never thought of discriminating against American industries, or of depriving them of the incidental benefits or protection a proper revenue tariff would afford.

Secretary Carlisle in many public speeches has expressed like sentiments, adding the very proper qualification:

If we were called upon now for the first time to declare a principle or inaugurate a policy upon this subject, I should not hesitate to announce my adherence to that creed which commands the largest liberty in trade, that doctrine which

opens the channels of commerce in all parts of the world and invites the producer and consumer to meet on equal terms in a free market for the exchange of their commodities, for I sincerely believe that all commercial restrictions are in the end injurious to the interests of the people.

The late President Garfield said:

Duties should be so high that our manufacturers can fairly compete with the foreign product, but not so high as to enable them to drive out the foreign article, enjoy the monopoly of the trade, and regulate the prices as they please.

Senator Sherman, discussing the tariff commission bill in 1883, said:

The measure of protection should extend only so far as to create competition, and not to create home monopoly.

These sentiments would be denounced as rank heresy and free trade by those who uphold and defend the existing tariff law. Both their theory and the scale of duties which they impose, rest upon the doctrine that protective duties must be high enough, first, to give to the home producer, no matter in what section of the country he may live, undisputed control of the entire home market, and secondly, such further increase of rates as shall guarantee him against all the fluctuations and contingencies of trade, disadvantages of location, and wasteful or antiquated methods of production. It is neither necessary nor practicable, in this report, to specify the particular reductions we have made upon the long list of articles that still remain in the dutiable list. The tables which have been prepared for the use of Members of the House give full and minute information as to these changes. A few only of the most important need be here enumerated. In the earthenware schedule we have made substantial reductions, still leaving rates as high as were deemed necessary in the war tariff. In common window glass, where close combinations have kept up the prices to consumers under a scale of duties averaging more than 100 per cent, we have made a reduction of about one-half. Upon the larger sizes of plate glass, where the duties were even higher, we have made a reduction of about one-third.

In the iron and steel schedule, beginning with free ore and a duty of 22½ per cent on pig iron, we have reported a scale of duties considerably below those of the existing law, graduated according to the degree of manufacture which should bring benefit to the consumer without calling for any halt in the imperial progress of that great industry in our country. The duty upon steel rails has been put at 25 per cent which, according to the reports of our Department of Labor, quite compensates for all differences in the cost of production in this country and abroad. There seems to be an authentic report that the pool of American rail-makers which, under the shelter of the present duty of \$13.44 per ton, has kept up prices to the American consumer far beyond the cost of production and legitimate profits, has been reorganized to continue the regulation of their prices above the proper market rates. As all shippers, and especially American farmers, are vitally interested in cheapening the cost of transportation, rates of duty upon steel rails should be adjusted so as to protect them from monopoly prices and monopoly combinations.

Upon tin plate the duty has been gauged with reference to the revenue it will bring into the Treasury, and the difference between this duty and that upon the black plate has been lessened with a view to discourage what may not unjustly be called the bogus industry

of making American tin plate by the mere dipping in this country of the imported black plate. In the sugar schedule we should have preferred to wipe out at a single legislative stroke the existing bounty system. We believe it to be contrary to the spirit of our institutions and can conceive of no circumstances under which we should have advocated or approved its introduction into our laws. We have found it existing there, as we find it virtually existing in every other schedule of the tariff, and dealing with it in its more open and offensive form, in the same spirit we have dealt with other schedules where large property interests are at stake, we have reported a provision for its repeal by such stages as shall gradually obliterate it from our laws, while permitting those who have invested large means, under the expectation of its continuance, reasonable time in which they may prepare to take their stand with the other industries of the country.

On refined sugars the duty is reduced one-half, that is, from a rate of one-half to a rate of one-quarter of a cent a pound.

Duties upon imported tobacco leaf suitable for cigar wrappers, which were so advanced by the act of 1890, have been placed at such figures as, after careful investigation, were deemed likely to produce most revenues to the Treasury, but while revenue alone has been the object sought their amount is so high that no domestic producer need claim that there is not abundant protection and to spare for his product in them. Of the staple agricultural products, including meats and provisions, we are such large exporters and must continue to be such large exporters that any duties upon them are useless for protection and fruitless for revenue, and generally can only be imposed for the purpose of deluding the less intelligent of our farmers into the belief that they are receiving some consideration and benefit under the tariff, although the prices of their products are fixed in the world's market in competition with like products produced by the cheapest labor of the world. For the producers of our great export staples, which, having fully supplied the home market, must overflow and seek large purchases elsewhere the only effect of a protective tariff is to take from one-fourth to one-half of the products for which they could exchange their surplus should they venture to buy in the market where they are obliged to sell or to compel them to give a like portion of the avails of their labor, when turned into money, by increasing the cost of what they buy in the home market.

Recognizing that the American farmer has been through many years the patient victim of the protective system, that he has been induced to support it under the delusive promise that by great present sacrifices he was buying for himself a home market, and that this promised home market is farther from him to-day than ever before, we have aimed to secure for him such relaxation of burdens as will permit him to enjoy more of the fruits of his own hard and faithful labor. To the farmers of the country we have given untaxed agricultural implements, binding twine, free salt and untaxed cotton ties, for the additional reason in this last case that cotton is the largest export crop of the country, sold abroad in competition with the cheap labor of India and of Egypt, and we believe that it is enough for the private tax-gatherer to follow it in the markets of his own country without pursuing it into all the markets of the world. As

cotton bagging can be used but once, we have thought it but just to extend the drawback system to such bagging made of jute butts when used upon exported cotton, a privilege which the exporter of wheat can already enjoy, coupled with the further advantage in his case that the same bags may be used for successive exportations of grain.

In the schedule of spirits, wine, and other beverages, the changes made are slight and with the view to production of increased revenue from these very proper sources of revenue taxation. The duty upon spirituous liquors is put at double the internal-revenue tax upon the same, and while the duty of 50 cents a gallon on still wines imported in casks is retained, a proviso is attached limiting the highest duty on such wines to 100 per cent.

In the cotton, flax, hemp, and jute schedules, reductions have been made in accordance with the general scheme of the bill as heretofore explained, but they are not believed to be of such a marked character as to call for any special explanation. The placing of wool upon the free list has justified a very substantial reduction of the duties on woolen goods. Of the woolen tariff it may be truly said, as was said of the woolen tariff of 1828, "that it is the masterpiece of the ultra restrictionists and exhibits all the worst features of the system." Although the imports of 1892 show an average duty of 95.82 per cent in the woolen schedule, it can not be said that woolen manufacture has been a flourishing industry in this country, or that the American wool grower has secured remunerative prices for his wool.

With free wool we anticipate great benefits to consumers of woolen goods, a revival of the woolen industry, such as that which followed the tariff of 1857, and a steadier and better market for the American woolgrower. The present tariff is not only cruelly exorbitant, but is so adjusted as to bear most heavily upon the poorer people. Its full effect is not shown in the law nor in the table of imports, because on many kinds of goods of the cheaper grade it is entirely prohibitory, but the inequality of its operation may be illustrated by the citation of a few rates as they appear in the Consumption Statement for 1892. Shawls with an average value of 39 cents a pound paid a duty of 138 per cent, while those having an average value of \$1.20 a pound paid a duty of 86 per cent. Woolen and worsted cloths, averaging in value 27 cents a pound, were taxed 162 per cent, while those which averaged 93 cents per pound were taxed 97 per cent. Similar inequalities, all in the same direction, are found throughout the entire schedule. We have placed the duties upon woolen fabrics at 40 per cent, but with a proviso for a uniform cut of 5 per cent, with a lapse of five years, beginning on the 1st day of July, 1896.

The long exclusion of our woolen manufacturers from two-thirds of the wool of the world has prevented this great industry from attaining that vigorous life and independence it might otherwise have reached, and recognizing that the duties which we place at present upon competing foreign fabrics must be somewhat higher than a permanent schedule ought to be, we have provided for this gradual decrease, believing that in a few years our manufacturers will assert their skill and ability to manufacture from the world's wool. In the carpet schedule we have not felt it necessary to adopt any such sliding scale, because that branch of textile industry has long been one of the most flourishing of all our manufactures, has asserted its full control of the home market, and recently has been threatening to invade

with American products the markets of other countries. With free carpet wool we have believed that this industry might well stand the reductions reported in the bill without imperiling its vigorous growth and prosperous existence. We are said to consume nearly two-thirds of all the carpets manufactured in the world. With the cheapened production due to the removal of the duty on carpet wools (of which we are not ourselves producers) there will naturally be a greatly increased consumption of all kinds of carpet in our own country, the largest part of which must inevitably fall to our own manufacturers to supply.

The average rate of duties levied under the existing law upon the dutiable goods imported in 1892 was 48.71 per cent. Had the duties proposed in the present bill been levied upon that year's importation of dutiable goods, the average rate on them, including those we transfer to the free list, would have been 30.31 per cent. As so many of the rates of the present law are really prohibitory, it is impossible to say what its real rate of taxation is, but it is safe to affirm that it is much higher than any import tables will disclose. It must be understood, however, that the rates above mentioned can only be called closely approximate and not mathematically accurate, but they illustrate the extent of the reductions proposed by the present bill, and the relief which it will give to the taxpayer and the laborer of this country.

Taking the importations of 1892, the latest which were accessible to the committee when its tables were prepared, the new rates would operate a reduction of about one-third of the duties collected under the tariff, but this great reduction in taxes actually paid to the Government is no measure of the lightening of burdens to the taxpayers of the country. That reduction may be estimated at several times more than the reduction of taxes. Such a reform of the tariff must quicken every industry, must open a larger field for the employment of labor, must secure to it more working days at steadier wages, a larger return in the comforts and goods of life for its labor, while that great body of our people who produce our surplus crops and products, agricultural and mechanical, for exportation (much larger, as Mr. Edward Atkinson has clearly proved, than all engaged in producing articles liable to foreign competition) will derive twofold benefit, first, in increasing the number of articles for which they may profitably exchange their product, and secondly, in diminishing the government fine imposed upon those articles when brought into their own country.

It may be said that we are not justified in making so large a reduction in revenue at a time when government receipts and expenditures can no longer be balanced, and when some new temporary sources of revenue must be sought for. We have been compelled to retain some articles upon the dutiable list and to leave some duties higher than we desired because of the present necessities of the Treasury, but we have not felt that any temporary shrinkage of revenue should deter us from carrying out as faithfully and as effectively as we can the instructions given by the American people when this Congress was put into power. Our own experience and that of other countries has been that decreases in tariff duties immediately operate such an enlargement of commerce, of production and consumption, as rapidly to make up any apparent loss of revenue threatened by

these reductions. It is our purpose to follow the bill herewith reported with other measures of internal-revenue taxation, which will make up any deficit of public revenue.

A most important change in the bill proposed from the present law will be found in the general substitution of ad valorem for specific duties. This must always be the characteristic of a revenue tariff levied upon a large range of articles, especially when they include the plain necessities of life. A duty which taxes according to kind, pound, weight, measure, or the like, without regard to value, always oppresses the less wealthy consumer and lightens the just burdens of his richer fellow-citizen. Such inequalities as we have mentioned in the woolen schedule and many still grosser ones that might easily be cited could only be hidden in the specific duties of a tariff and would never appear in a tariff that assessed its exactions according to the real value of the article taxed. The justice of the ad valorem system is often admitted by those who still contend that it has such inherent difficulties of administration and so easily lends itself to fraud and undervaluation as to be unjust to the Government, the honest importer, and the home producer. A really and sufficient answer to this may be found in the fact that in no tariff ever adopted in this country has there not been a very large introduction of ad valorem duties and that, too, as to goods whose value was most difficult of ascertaining. With the improved administration of our customs under the laws recently adopted and to be made more perfect by this bill, there need be no fear that the extension of this just and open system will lead to any of the wrongs and abuses anticipated.

Twice in our tariff history the ad valorem system has been tried with success. Mr. Clay, referring in 1842 to the compromise tariff of 1833, said:

What are the other principles of the act? First, there is the principle that a fixed ad valorem duty should prevail and be in force at all times. For one I am willing to abide by that principle. There are certain vague notions afloat as to the utility and necessity of specific duties and discriminations which I am persuaded arise from a want of a right understanding of the subject. We have had the ad valorem principle practically enforced ever since the compromise act was passed, and there has been no difficulty in administering the duties of the Treasury on that principle. Compare the difference between specific and the ad valorem systems of duties and I maintain that the latter is justly entitled to the preference. The one principle declares that the duty shall be paid upon the real value of the article taxed; the specific principle imposing an equal duty on articles greatly unequal in value. I say that in theory and according to every sound principle of justice the ad valorem mode of taxation is entitled to the preference. * * * I believe upon the whole that it is the best mode. I believe that if we adopt a fixed rate ad valorem whenever it can be done the revenue will be subjected to fewer frauds than the injustice and frauds incident to specific duties.

Under the tariff from 1846 to 1861 this system was again tried and proved to be as successful in administration as it was just in principle.

It is the purpose of the present bill to repeal *in toto* section 3 of the tariff act of October 1, 1890, commonly but most erroneously called its reciprocity provision. That act placed sugar, molasses, coffee, tea, and hides on the free list, but authorized the President, should he be satisfied that the Government of any other country producing such articles imposed duties upon the agricultural or other products of the United States which he might deem reciprocally

unequal and unreasonable, to suspend the provision under which these articles were admitted into this country free. This section has brought no appreciable advantage to American exporters; is not in intention or effect a provision for reciprocity, but for retaliation. It inflicts penalties upon the American people by making them pay higher prices for these articles if the fiscal necessities of other nations compel them to levy duties upon the products of the United States which, in the opinion of the President, are reciprocally unequal and unreasonable. Under the provisions of this section Presidential proclamations have been issued imposing retaliatory duties upon the five above-mentioned articles when coming from certain countries. These proclamations have naturally led to ill-feeling in the countries thus discriminated against, and to diplomatic correspondence, in which it has been claimed with apparent justice that such discriminations were in violation of our solemn treaty obligations.

Since 1846 we have had a treaty with the Republic of New Granada (now Colombia) in which each country mutually engages itself not to grant any particular favor to other nations, in respect to commerce and navigation, which shall not immediately become common to the other party, who shall enjoy the same freely if the concession was freely made, or on allowing the same compensation if the concession was conditional. Under Presidential proclamation we have been imposing duties on hides and coffee, the products of Colombia introduced into this country, while like products of other countries have been admitted free. No concession of any kind has been made to the United States as a consideration for this privilege, and it would seem impossible for the Government, under any fair construction of its treaty, to deny to Colombia the favors freely accorded to other nations, especially as there is a further and even more explicit provision of our treaty with that country that—

No higher or other duties shall be imposed on the importation into the United States of any article, the produce or manufacture of the Republic of New Granada, and no higher or other duties shall be imposed on the importation into the Republic of New Granada of any articles, the produce or manufacture of the United States, than are or shall be payable on like articles, being the produce or manufactures of any foreign country.

This article was taken almost literally from the treaty of 1815 between the United States and Great Britain, under which the United States claimed and collected from the latter an indemnity of 87,000 pounds sterling for discriminating duties imposed upon American rice in violation of the treaty.

Moreover, we do not believe that Congress can rightly vest in the President of the United States any authority or power to impose or release taxes on our people by proclamation or otherwise, or to suspend or dispense with the operation of a law of Congress.

The bill which we report proposes some changes of the administrative features of the present customs laws.

Section 8 of the administrative act of June 10, 1890, relating to consignments of foreign goods for sale in this country, and prescribing the manner in which the cost of the manufacture of such goods shall be made known, has been found to be impracticable, and the Board of General Appraisers, as well as the commission of which Mr. Fairchild is the chairman, recommends its repeal; in this view we have acquiesced.

The penalty clause of section 7 of that act provides that there shall be collected 2 per cent on the value of imported goods for each 1 per cent that the appraised value of goods imported shall exceed the value declared in the entry. This penalty is so extreme that it has been found in practice to be difficult of execution. Customs officers are reluctant to find undervaluations in many cases because of the severity of this provision. We propose that this penalty shall be so modified that the lawful duty shall be doubled upon the amount added by the appraising officer to make market value.

By the present law, appeals from the decisions of the appraisers, go, in the first instance, to the district courts, and thence to the circuit court of appeals. The bill, we report, requires these appeals to be made to the court of appeals directly and without the intervening appeal to the district court.

Other amendments of the customs laws, of less importance, suggested by experience, are proposed, but they do not require particular explanation in this report. They are all offered in furtherance of a more efficient administration of the law.

VIEWES OF THE MINORITY.

The minority of the committee present the following views:

The most surprising thing about this bill which we will treat of in detail somewhat later, is the fact that this proposition to raise revenue will lower the revenue of this country \$74,000,000 below the revenue of 1893, which was only \$2,000,000 above our expenses.

This fact and the other fact that by this bill the larger part of the burden of taxation is transferred from foreigners and borne by our own citizens should always be kept in mind during the discussion.

Had the committee, in making what the chairman on the floor of the House has called a "political bill," followed the plain, uncompromising declaration of the party which they represent, and abolished protection, giving us a tariff for revenue only, our task in commenting upon the result of the committee's efforts would have been much more simple. The bill would then have been a straightforward, manly attempt to carry out pledges, and would have placed in issue two great principles, and have led to a clear and comprehensible discussion.

So far, however, have the committee departed from the demands of their national convention that we should have been much tempted to borrow a phrase from their own platform and designate the bill as a "cowardly makeshift," were it not that the results have been already too serious for mere epithets. Such a phrase, even thus sanctioned, would be out of place in a discussion which involves so much of importance to all classes of citizens. It still, however, remains a fact that the bill presented can in no way be justified by people who claim to have obtained possession of all branches of the Government upon a distinct promise, which they now as distinctly repudiate.

If it should be said that these pledges, solemnly made on a ye-and-nay vote after full discussion, were not intended for action, then the breaking of the pledges has the additional disadvantages of premeditation. If subsequent events—and they have been numerous enough and weighty enough to startle the country—have convinced the com-

mittee that the Democratic platform is as utterly wrong and indefensible as history will know it to be, then it is a great misfortune to this country that the committee did not have the courage to openly abandon the false doctrine and leave the country undisturbed, so that it might convalesce from the shock of its great mistake.

But the committee, instead of proceeding in its great work of abolishing protection and preserving the people from the load of taxation which they have always averred was the result of protection, has presented a bill which is only another tariff-tinkering bill, the like of which has disturbed the conditions of business so many times the last thirty years. It is a great misfortune that such is the case, for had the bill been for revenue only, in the only sense possible for that term, the people of this country might have seen at one glance whether they desired the one policy or the other, and the question might have been settled once for all, and the country might have attained to that repose, stability, and certainty which our business prosperity so much needs.

That, however, has not been made the issue, but instead of that a newer and fresher plan has been devised which those who stand by principle and the Chicago platform may still designate, and do still designate as a plan to foster and coddle American industries, to maintain classes, and to perpetuate taxation for other purposes than revenue only. As to this new plan the very first question one is disposed to ask is, Why disturb existing business relations if there is to be no change in principle?

If we are still to have protection, why take this time to cause a readjustment when the business conditions are of such a character that the greatest amount of disaster will be the result? Were it proposed to make a radical change and cause the business of the country to be conducted on a new basis there might possibly be arguments adduced and plans presented which would be justifiable and satisfactory; but if protection be the object, why choose this time of all others to substitute for a system of protection which has proved reasonably satisfactory one of which we know nothing and with the principle of which the revisers are not in accord?

This other and fresher plan has all the faults which the framers of this bill charged upon the old, and very few of its virtues. It is open to all the derisive and harsh epithets with which the present system used to be overwhelmed. It taxes the people with tariff taxes. It creates, or rather proposes to maintain, what they used to call privileged classes, and is defended by its authors by arguments and expressions strangely like those which they used so hotly to denounce. A manufacturer is told that the duty will protect him, and his claims are listened to on that basis, and are argued with him on that basis, just as in the brave days of old.

The new Democratic district attorney of the northern district of New York comes down, as he had a right to, and declares that, from a protection standpoint, barley and malt can not go together under the same *ad valorem*, and promptly the committee raise the tariff taxes from 25 per cent to 30 to protect the manufacturer, though it must lessen the revenue.

So also some one has presented persuasively the cause of boards—planed, tongued, and grooved—to the committee, and although the lumber passes in the same plant from the saws to the planers, the

work of the men who manage the saws is unprotected while the work of the men who run the planes is shielded by protective-tariff taxes.

These are but instances of corrections made where the ear of the committee could be had and are keys to the notions on which the bill was formed.

The new plan also involves a new method of encouraging manufacturers by giving them what are called "free raw materials," so that what goes into the mill pays no taxes and what goes into consumption pays all the taxes. The manufacturers pay no taxes on what they buy and the people equivalent of taxes on all they purchase.

It unfortunately happens also that "free raw material" is an elastic term, and what is one man's free raw material is another man's finished product. The manufacturer in Massachusetts is told that he is to be encouraged by having free lumber to build his factory and to pack his goods, but inasmuch as that very lumber thus made free is the Maine manufacturer's finished product, no wonder the Democrats of Bangor, the mills on the Penobscot being unable to move a saw, denounce "class legislation" with a new appreciation of what class legislation really means. And with the dwellers on the Penobscot sympathize the lumberman in Wisconsin and Michigan, the Pacific slope, Alabama, Georgia, and Florida. So also the miners in Michigan, struggling this very moment with starvation, realize that the most odious class legislation there can possibly be is the legislation which protects labor in the mill and leaves it in the mines to the charity of the great cities.

These so-called "free raw materials," free wool, free coal, and free iron are not put on the free list with any reference direct or indirect to raising revenue. They are placed there to encourage manufacturers who are to be compensated for any loss in this market by the markets of the world where they will have the chance to struggle with the cheaper labor of the Old World with whatever energy they may have left after the struggle at home with that same cheaper labor let into our markets by a lower tariff which does not give us the compensation even of a larger revenue.

These delusive advantages are to be given the manufacturers at the expense of the miners who dig out the ores and mine the coal, at the expense of the farmers who raise the wool, and the railroads which transport all these products. With these advantages, thus obtained at the expense of other citizens, the manufacturers, forced by the lowering of the tariff, to fight for their markets at home, are to enjoy unlimited foreign trade. How they can obtain a foothold in foreign lands when this very bill is drafted upon the supposition that they can not keep their own markets without protection seems beyond the domain of logic.

If the woollens of America need, as this very bill assumes, 30 and 40 per cent to enable them to have a fair chance in our own markets, where is the unlimited foreign trade which awaits them in countries where they are stripped of the 30 and 40 per cent protection and obliged to pay freight and all other charges and fight business connections existing for scores of years?

All the objections so often urged by the dominant party against the existing system, we repeat, lie against this bill. The difference is only one of degree. If the present system be "robbery," as these men have iterated and reiterated, the proposed system is precisely the same.

It is true that the consumer will no longer pay tribute to the western farmer for the wool of the sheep, but the New England and other manufacturers are still authorized to lay tribute upon the citizens of the United States, who must pay, so these men have always said, 30, 40, and 45 per cent to the manufacturer on every yard of woollens and worsteds, while the country will only receive, by way of revenue, a lessened sum, unless increased importations signalize the decay of American production.

It is true that the coal miners of West Virginia and the ore producers of Michigan will be stripped of their so-called robber gains entirely and the railroads must lose transportation of millions of tons of freight; but the manufacturers are thereby stimulated and aided so that they can, as the committee asseverate, still continue their profitable business here and reach across the ocean for the business of other countries "and foreign trade without limit."

If, as it is asseverated, the 70,000,000 of American people have been for thirty years taxed for the benefit of a few hundred thousands of favored individuals; why should the taxation be continued even in diminished ratio for another series of years and these few hundred thousand favored creatures be given a new lease of life?

The doctrine of the Democratic platform that protection is robbery and should be abolished is comprehensible and sturdy. The new movement on behalf of mitigated and sporadic robbery is contrary alike to good morals and public faith. All false pretenses are unwise, contrary to sound policy and sound statesmanship. Hence many of us who are sure that the Democratic platform is utterly untrue admitted its straightforwardness and directness. This bill, framed by those who represent the platform, can not receive that kind of praise. It pretends to be a revenue tariff, and does not raise revenue. It pretends to give protection, but destroys it in every indirect way.

It says to the manufacturer, For you we have furnished free coal, free iron ore, free wool, and the markets of the world. Instead of the markets of the world it furnishes in the future a new crop of enemies—the men who dig in the mines, and the farmers who raise the sheep—for it really creates what its enemies have falsely charged against Republican protection, a privileged class, against which the mines and the fields will both array themselves. And the privileged class does not desire to be thus privileged. All it asks, or has ever asked, is to be protected not alone but with all other citizens from the destructive competition with a lower grade of social life.

Of course, this idea of protection against a lower grade of social life is preposterous to a man who sees in a tariff only a tax of \$30 or \$40 on each hundred imposed on seventy millions for the benefit of "a few hundred thousand;" but whoever thinks this question concerns the wealth only of a nation and does not involve its moral and social well-being is legislating for a very fleeting time.

The moral and social well-being of a nation does not depend so much upon its absolute wealth as upon the yearly distribution of the yearly gain. Whatever can be said of the people of the United States, nothing can be more truly said than that the distribution of the proceeds of united labor and capital has been among them more even and fair than anywhere else on earth. There have been great accumulations of capital necessary for the world's development all

over the universe, but in the United States all this has been accompanied by the nearest approach to general distribution that the world has ever seen. This has not been all owing to the tariff, but the tariff has been the foundation of it.

Labor organizations have played a great and useful part in this distribution. Men in general who employ labor are no more naturally disposed to pay high wages under tariff than those who exploit the laboring man under free trade, but the tariff, by giving steady employment under the influence of a sure market, by establishing the organization of industry under the factory system, has given to organized labor the material to work upon, the fund of which it has demanded distribution—a fund so great that it could never have been equaled or even been approached in the comparatively isolated life which the unprotected industries, taken alone, would have given us as a people.

Protection has established the clusters of great manufacturing and working centers, which have given railroads the possibility of existence which no scattered population could ever have created. The railroads which these great manufacturing towns and their need of transportation of freight have built are sources of enjoyable wealth which are not confined to the protected industries, but are spread through all the business of the United States and inure to the comfort and happiness of all the people.

Take one example from this very bill. Bituminous coal is one of the great industries which is developing the State of West Virginia; upon it the welfare of that State largely depends, so its Democratic governor testifies and many of its most respectable citizens, including an ex-Senator of honored name. Is that development confined to that State alone? By no means. With the addition of the coal fields of old Virginia the Norfolk and Western, the Chesapeake and Ohio obtain from these mines a very valuable freight in transporting coal to the seaboard. From other bituminous coal fields the Baltimore and Ohio and even the great Pennsylvania road obtain no inconsiderable part of their freight.

If the coal be made free there will be fierce competition with the coal of Nova Scotia, and not only will the mines of West Virginia, of old Virginia, and Pennsylvania suffer, but the great railroads will suffer severely also. To be sure these are corporations without souls, but the stocks and bonds are owned by people with souls, unless modern political infidelity should determine otherwise.

Whether Nova Scotia coal would afford any real relief to New England manufacturers if it were a separate measure is a matter much in dispute, but that it would give them any relief adequate to the damage this bill will do them is not in dispute at all. The figures of one establishment in New England, which will have stricken off the value of its product by this bill the sum of \$103,500, where the wages amount to \$420,000, will gain in the article of coal as a raw material, supposing the whole 75 cents per ton comes to the pocket of the manufacturer, \$1,500.

Free raw materials to these people would be a sweet boon indeed!

What exact effect the proposed change of wages would have on the general rate of wages in the country can only be determined by actual test, but it is not difficult to see that it will be very depressing. Upon

persons engaged in the industries directly affected the result to be anticipated seems to be very clear.

To those of us who believe in protection it seems beyond dispute that the acknowledged rise in wages in this country has been caused by protection as the great stimulator of invention and progress.

The committee, however, probably believe the contrary. That higher wages exist, however, or did exist before this bill threatened the country, can not be disputed. That these wages are maintained by protection against the lower wages of foreign countries can hardly be successfully questioned. No doubt other causes like the low grade of civilization checking enterprise and substituting the content which prevails in the East for our daily increasing demand for new luxuries soon to become necessities may contribute to prevent the full effect of foreign wages upon our markets, yet as against countries which have all our capacity for obtaining new machinery and which have accumulations of capital far greater than our own the tariff is the great maintainer of wages.

Without being guilty of that attempt to press the question into a nutshell, which is the bane of economic discussion, it may be briefly said that every product which goes to market must meet every other like product on equal terms. If in the United States there are higher wages and a higher cost of capital there must be such barriers against goods from abroad as will equalize these higher costs, or the products of the United States can not be sold except at a loss. Sales at a loss can not long continue.

It may be flattering to our national vanity to be told that our workmen, being Americans, are so much abler than others beyond seas that they can therefore do so much more work that the higher wages will continue as a mark of their superiority. But much as we would like to believe this there are no manufacturing figures which justify the assertion. In addition the tendency in America is toward fewer hours of labor, a tendency unmistakable and which must be recognized not only as an existing fact but as directly contrary to the tenets of the Manchester school, which seem now to preside over our politics.

There is also a constant demand for lower prices, which demand has to be listened to in a country always striving toward a higher plane of civilization. We have, therefore, before us always three problems—wages to be maintained, hours of labor to be lessened, and prices to be lowered. Not one, but all.

It is true that invention at once keeps pace with and regulates the demand for higher wages and for lower prices and fewer hours, which are the conditions of our higher plane of civilization, but it can not do more. It can not meet in addition the lower prices of a lower level of civilization.

Our inventions are too quickly absorbed by foreign countries to permit this. Hence the result of a refusal to protect our labor at its present rates must result in lower wages. This seems capable of a rough demonstration. Our goods are now met by foreign goods on our own shores at a price made up of raw materials plus labor and plus the present rate of tariff on very nearly equal terms. If the tariff element be lowered then something must be lowered on our side, and in the last analysis it will be labor and capital, and in the long run the loss of capital is also a loss of labor, for capital employs labor

and lost capital sets no machinery in motion. We must, then, meet the reduction of price of foreign goods, which are our competitors, by reduction of the price of labor.

Some men regard this as a solution of the problem, and soothe themselves with the thought that perhaps some return will come from the cheapness of things made abroad, without thinking that all that is made abroad by this plan is but labor unemployed and unpaid here at home. But while this easy solution of the problem is simple enough on paper, it will prove very uncomfortable in practice. Men who have worked at one rate of wages can not be easily taught in real life that it is just as well to work at a lower rate.

It is one of the elements of human progress, that same unwillingness to take a lower station than the highest already filled. Not only is this so in the individual, but in organizations of men it is even more strikingly so; and when any sensible man looks forward to the waste of labor and capital which will ensue in the struggle to do what seems so simple on paper—a reduction of the prices of labor to compete with the prices of labor abroad—he feels that it ought to take much faith in the bygone wisdom of Richard Cobden to nerve the modern reformer to his task.

There is also another view of the question of wages which is not to be overlooked. Lessened wages mean lessened consumption. If wages were diminished one-half, one-half our market for products would be gone. We have elsewhere said that some of the manufacturers may not be under protection more willing than under free trade to give good wages and are forced to do so. Nevertheless more of them every year are recognizing the sound policy of good wages, not only for immediate good results in their own mills, but because good wages all around mean a good market.

These workmen are the largest part of the consumers of this country, for which consumers the committee profess to be so solicitous. The consumer here is a producer, and his wants as a consumer are aided not by one thing alone, but by two; by lower prices and by higher wages.

Time was when lower prices and higher wages were scouted as incompatible and absurd, and as things that could not exist together, but to-day both are recognized as reasonable demands when reasonably limited. Lower prices will take care of themselves and so will higher wages if they are not interfered with by competition from regions where the different social status causes laborers to be content with lesser results.

The consumer will take care of himself if you look after the producer, for he is one and the same individual.

But while this bill in its principle, if it has any, is not unprotective it will be absolutely so in practice, not only in its direct reductions but also in its indirect reductions sure to come from the change from specific duties to ad valorem, which is a marked feature of the bill.

An ad valorem duty, as the name implies, is one which varies according to the price. If prices could be exactly determined, nothing would seem to be fairer than an ad valorem duty. But, unfortunately, prices are very much matters of opinion, on which honest men may differ much and rogues much more. Inasmuch as the duty depends on the price, a cheat on the price is a cheat on the duty. If a piece of goods is worth \$6 a yard and the duty is 25 per cent, the

correct duty is \$1.50. If the price be invoiced at \$5 a yard and the fraud not detected, the duty collected becomes \$1.25, and the ad valorem, which seems to be 25 per cent, becomes about 20 per cent, and not only is the Government cheated out of its quarter of a dollar, but the manufacturer is cheated out of one-fifth of the protection his Government has promised him.

So great have been the objections in actual American practice to the ad valorem duties that among the names which can be cited against it are some of the most illustrious in American history, Hamilton, Gallatin, Crawford, Webster, and Van Buren, with Buchanan and Daniel Manning. Such, too, has been the experience of all other nations, and their tariff bills show such an exclusion of ad valorem duties as makes even the act of 1890 seem objectionable on that very account. That the example given above of a piece of goods lowered from \$6 to \$5 is reasonable is evident from this very bill, where an undervaluation has to reach 40 per cent, which in this case would be from \$6 to \$3.60, in order to create presumption of fraud.

This, therefore, is not theory. It is within the experience of every merchant that goods which can not be purchased at all in Europe can be purchased, duty paid, in New York at lower prices than like goods can be purchased by the honest merchant who values them at their true market value and pays the duty demanded by the Government, and yet these ad valorem duties thus objectionable have been increased in number everywhere, being substituted in nearly all the schedules for specific duties.

Another deceptive use of ad valorem duties has been frequently employed in this bill by classifying under one head articles differently advanced in manufacture under the same rate of duty. It is claimed that the advance in price covers the advance in manufacture. This seems so, until you consider that the advance covered is that which is measured by the foreign price of labor and not by the labor price of the United States, and that what might be protection if the labor put to use in the advancement here was of the same price as that abroad becomes discrimination against American labor when put into practice.

This has been practically acknowledged on malt. Then the committee, or rather the managing party majority, originally presented in their bills a uniform duty on barley and malt of 20 per cent. The barley raiser was protected on a 20 per cent basis and also the malster, but a skillful man appeared and in that case showed them that the malt to be protected was not malt made in Canada but malt made here, and therefore the wages existing here must be the basis, and so the barley raiser rested at 20 per cent while the malster advanced to 30 per cent. Of course this could only have been because the majority in that case recognized the just demand.

That this knowledge thus acquired was not applied to the rest of the bill is part and parcel of the misfortune which rests upon the country.

How the bill will act as a revenue raiser, and how it can act as an injury to the Government and the producer both together, is well exemplified in the changes made in the pottery schedule.

Only an amount equal to two-fifths of the amount of the imports are made here, valued at \$3,800,000. Nine millions and a half are

imported. Under existing law the revenue obtained is five millions and a half. Under the proposed bill, if the manufactures hold their own, and the most sanguine friend would not dream of that, the loss in revenue would be \$2,000,000. If the manufactures were entirely driven out and all our ware should be imported the loss of revenue even then would be \$882,000. The crockery schedule seems hardly to be managed with a view to revenue.

It would, of course, be utterly impossible to follow into details the reasons which have induced the changes made by the bill. They seem to be the result of information obtained in secret, and in no wise communicated to the Republicans on the committee. All the public hearings and public testimony have been set aside and the bill has been framed on information of witnesses who have not been cross-examined and whose testimony has not visited the light of day.

While it would be impossible to specify the probable effects of this bill, a few of the most important may be briefly touched upon.

As to the future relations between Canada and the United States, it perhaps would not be decorous for us to talk fully, but there are those who believe that what they think is the manifest destiny of this continent is one nation and one market and one development.

Those who have that thought in their minds as they scan the bill will see how little this bill, compared with existing law, conduces to that end. Those, on the other hand, who look upon the Dominion simply as another nation will be surprised to see how freely is accorded to her privileges and opportunities in derogation of those of our own citizens; privileges and opportunities which the Dominion would be glad to give ample and unstinted concessions. By this bill they receive them all without money and without price.

What effect also this bill will have upon the treaties made by the last administration with Cuba and the Spanish-American countries, the committee have presented no calculations and no suggestions. If we should lose anything thus gained, it would be so much addition to the general misfortune of this bill.

It is proper to add that this bill has been hastened with as much celerity as could be used, and hence there has been but little time given for the country to exactly formulate its objections. We trust that that system is not to be continued, but that full and free examination may be given to all the items so that the exact measure of its damage may be calculated. Speed in action may be repentance at leisure.

Another serious general objection to the bill is that it decreases the revenue according to the calculations usually made by the Treasury Department as compared with 1893 about \$74,000,000. This large deficit, coming as it does upon a depleted Treasury, is rather appalling in a bill for revenue only. How this great hole in our resources, as a nation, is to be filled, no one knows. At this date not even the committee knows itself, unless the President, anticipating in his message to Congress the report of the Committee on Ways and Means, shall afford to the committee itself its wished-for clue.

Against the consideration of such a bill creating such a deficit and leaving it unaccounted for, the minority vainly protested when the bill was laid before the committee. Who would dare if of sound and statesmanlike mind to create a deficit of \$74,000,000, and blindly vote

it with no plan in sight whereby the Government could meet its expenditures? That same protest we make to the House and to the country.

The bill ought not to be reported without the internal revenue bill, which is to make up the deficiency. Are we to pass this bill and be then coerced into the other? Who knows if they were presented together that we might not prefer to stay where we are? The progress of this attempt at what has been called reform has already created such feeling that the country is stirred all over. When the scheme of raising taxes by methods used in the time of war is presented, in addition to those now imposed, there may be such further revulsion of feeling as will accomplish the work of defeating this bill.

While as party men we might rejoice at its passage, as citizens of the United States we think the exigencies of the present time are superior to even the most desired political advantage, and advise that the bill do not pass.

We have not thought it desirable to make any appeals to passion or to prejudice, so far from that we have taken thus far no notice of the condition of business now, which is terrible, and of the workingmen, which beggars description. There is no need for us to present this to the country. It is presenting itself. In one hundred representative cities where the number employed exceeded two millions and a half of people, fully one-third by the most conservative estimate are without employ. These are engaged in the protected industries. Those who are not and those who thought they were beyond the touch of the tariff now know the solid fact, that all industries are prosperous or none. Spread this all over the country as you must, and the result will startle even the unthinking. It is not necessary for us to bring this to public view. No ingenuity can keep it out of everybody's face and eyes. Workingmen all over the country are expressing their deep and sorrowful feeling. We will not strive in any way to increase the turmoil which this bill has already created. An end can be put to all this by the defeat of this bill, and to the accomplishment of this, every energy should be bent. The best way to put an end to this agitation is to put an end to the causes.

We have thus stated the general considerations in opposition to the bill, and now proceed to statements as to particular items. With all our efforts to be concise, these statements in the aggregate will occupy many pages, and when we add our regrets that the work is only partially done and many things omitted, we indicate the vast extent of the industries threatened and the complications which this bill will give rise to.

SCHEDULE A—CHEMICAL INDUSTRY.

The chemical industry of the United States was by the tariff commission of 1883 given a special schedule on account of its great and growing importance. That commission in its report to Congress said:

It was apparent at the outset of this inquiry that an industry employing nearly 30,000 hands with an annual product of nearly \$120,000,000 was entitled to a separate schedule.

The development of this industry in the United States fully justifies the opinion of the commission then expressed and vindicates the wisdom of the protective system.

ESTABLISHMENTS.

Number of chemical establishments in this country in—

1850	400
1860	514
1870	740
1880	1,349
1890	1,569

HANDS.

Number of hands employed in our chemical works in—

1850	3,936
1860	6,040
1870	11,995
1880	29,500
1890	42,745

CAPITAL.

Capital invested in—

1850	\$7,091,860
1860	13,579,597
1870	31,681,714
1880	85,486,856
1890	178,002,984

Seventy-one million seven hundred and thirty-five thousand six hundred and forty-nine dollars of which is represented in lands, buildings, machinery, and permanent improvements.

MATERIALS.

Value of materials consumed by our chemical works in—

1850	\$8,935,381
1860	13,029,057
1870	29,668,643
1880	77,344,281
1890	101,890,052

FUEL.

By the census of 1890 it appears to carry on the chemical industries of the United States requires annually 836,568 tons of coal, costing \$2,374,994, and 38,631 cords of wood, costing \$96,963, and other fuel, costing \$181,898, or a total cost of fuel alone of \$2,653,855.

Value of the output of our chemical works in—

1850	\$14,501,341
1860	22,161,983
1870	47,397,388
1880	17,407,054
1890	176,044,633

Such, in brief, is the growth and magnitude of the chemical industry in the United States. In the face of this marvelous development the committee proposes, in its bill, to transfer no less than thirty of these great industries, built up and established by American capital and enterprise and requiring the employment of thousands of American workmen, from the dutiable to the free list and thereby exposes them to unrestrained foreign competition. By this step we not only surrender nearly a quarter of a million of revenue but expose these industries to serious impairment, if not total destruction. To maintain the industries thus exposed to foreign competition will require

a reduction of wages by the domestic producers to the level of their foreign competitors, and in the absence of such reduction our works must be abandoned.

WAGES.

The rate of wages paid employees in our domestic works averages \$11.60 per week, while the average weekly wages paid by chemical manufacturers in Great Britain during the year 1892 was only \$6.90, and the average in Belgium only \$4.97 per week. But our chemical industries will be obliged to compete not only with England and Belgium, but with the still cheaper labor of Italy and India, where the rate of wages in the former country averages from only \$1.80 to \$3.50 per week, and in the latter from \$2.40 to \$6 a week. It is not possible, nor it is desirable, that our workmen should be reduced to the level of foreign competing labor, and the only result must therefore be an abandonment of these industries with the loss of all the capital invested therein.

But the committee not only transfers to the free list the product of a large number of our chemical industries, but a general reduction is made throughout the entire schedule. This can have but one result, the crippling or destruction of our domestic works or the reduction of wages to the level of our foreign competitors; and we insist that an industry in which so much capital is invested, and which expends so much annually in wages, should continue to receive, and is justly entitled to, the fostering care of the National Government.

LEAD.

The report of the majority has largely reduced the duties on lead. The lead-mining industry of the United States has risen from the production of 16,000 tons in 1860 to 182,967 tons in 1889 and to about 200,000 tons in 1892. Of this about 40,000 tons came in from Mexico in the shape of silver lead ore at the rate of $1\frac{1}{2}$ cents per pound for the lead contained in the ore, paying into the Treasury \$750,000. In 1893 this amounted to 59,000 tons, paying duties of \$897,000.

The price of lead in New York has steadily declined for the last thirty years, from 6 cents per pound to $3\frac{1}{4}$ cents per pound, and prices to-day are but a little above those in London.

It is difficult to ascertain the number of men engaged in lead mining purely, for the reason that there are many people engaged in mining lead and zinc and a still larger number engaged in the mining of silver ores which carry a percentage of lead. It is estimated that the number of men engaged directly in the lead mines is about 12,000, whose wages run from \$1 to \$2.50 per day.

Should the proposed bill, as it now stands, become a law it will make lead substantially free, for in the opinion of the minority not a pig of lead would be imported at the duty proposed in the bill, for the reason that lead would come in from Mexico in the shape of silver lead ores at 15 per cent. We think the lead-producing industry is entitled to as much protection as any other class of labor in this country and the proposed bill will materially reduce the wages of the labor employed.

Lead can be laid down from Spain or London in New York at \$2.50 or \$3 a ton, and to southern ports it would frequently be carried as ballast, while the freights from Montana and Colorado are about \$20 per ton and from the lead mines of Illinois, Iowa, and Missouri about \$6 per ton. This condition of freights places the lead interest at a great disadvantage. The inevitable result, if this bill is enacted into law, will be that the labor employed in lead mines, if put into competition with Spain and Mexico, would be required to work at very much less than it now receives.

Pig lead is purely the product of labor and has absolutely no value until labor is employed to raise the ore from the mine and smelt it, and its value consists, practically, in the wages paid to the miner and smelter.

SCHEDULE B.—GLASS.

The reduction in the duties on cylinder window glass and on bottle glass is enormous. This is a direct blow at labor and one the effects of which will be far reaching and deplorable. Furnaces for the manufacture of window glass are distributed throughout fourteen States, from Massachusetts south, including Maryland, and west as far as Michigan, Kansas, and Wyoming.

The industry may be said to be natural to this country. Almost every material entering into the production of glass is to be found or can be manufactured here. The best and cheapest methods of manufacture have been adopted and are in actual use.

The capacity to manufacture in the United States is greater than the largest consumption of foreign and American glass combined, hence a vigorous home competition which secures the very lowest of prices to the consumer.

Notwithstanding all these facts, which would seem to argue against the necessity of protection, our importations of glass are large and productive of revenue. The reason is not far to seek. It lies mainly in the difference between the wages of American and foreign workmen. We do not stop to burden this report with a comparative statement. Such statement of the wages paid here and those paid in Belgium would disclose the fact that our average is two and a half times or over 150 per cent higher than those paid in Belgium and very much higher than those paid in England.

It follows therefore necessarily that any reduction of duty must correspondingly reduce wages. Assuming that under the reduced duties our factories would continue to run, and many of them could not, the reduction would bring the common laborer to the level of the poor man abroad struggling for the bare means of livelihood and the skilled laborer to the present condition of the unskilled. And it must not be forgotten that, while the common laborer may turn his hand to whatever opportunity may offer, the skilled laborer is substantially out of employment when opportunity is wanting to turn his hand to that to which it has been trained and in which experience has lent it cunning.

It is matter of doubt whether any of the radical changes proposed by the majority of the committee makes more ruthless war upon our industries than the changes in the glass schedule. They mean, literally speaking, death to labor. And this without reason, since no complaint can be made of prices; home competition and foreign

competition have reduced them to the lowest level. When home competition shall be eliminated they will rise at the demand of foreign monopoly.

PLATE GLASS.

There is no more splendid illustration of the benefits of our protective system than is to be found in the manufacture of plate glass. American enterprise and energy in the development of this industry have resulted in a vigorous home competition, so as to bring down the price of the product to one-half of what it was ten years ago. We have now in operation in this country 12 competing plants, having a capital of \$12,000,000 and a capacity of 18,000,000 square feet of glass annually. Every material used in the manufacture is of American production, excepting only soda ash. Eight thousand men are directly employed and probably, with their families, 40,000 persons interested in the maintenance of this industry.

The existing tariff rate is not prohibitory. Of an actual consumption of 15,000,000 feet, about 2,500,000 are imported. From 85 to 90 per cent of the cost of producing plate glass is labor, and the difference between the wages paid here and those paid abroad runs from 44 to 306 per cent. Hence in this case, as in so many others, the assault made on our existing tariff law is an assault made on labor.

It will be observed that no changes are proposed in the duty on the smaller sizes, but only upon the larger. The poor man, for whom the majority are so solicitous, is still to bear existing burdens, but the rich man, who alone is the purchaser of the larger sizes, is to have the benefit, if there be any benefit, from tariff reduction.

It seems to be a conceded fact that in the smaller sizes, on which the duties are not reduced, our manufacturers make no profit; but, on the other hand, sustain a loss, while such reasonable returns as they do receive are from the sale of the larger sizes in which the duty has been reduced.

Can it be possible that the committee were moved not so much by the love for the poor man as by a prejudice against the manufacturer?

SCHEDULE B.—POTTERY.

The pottery industry can not be accused of being fostered by a prohibitory tariff. The amount imported exceeds the amount manufactured here, and notwithstanding the act of 1890, the importations have increased. Under such circumstances, to lessen the duty would seem most unjust to the potters so long as protection is sanctioned by the bill. One hundred and two establishments, employing 10,000 men and supporting 50,000 people, are worth preserving. In no business have prices been so much lowered by the operation of home competition as in the crockery business. Foreign manufacturers have been here most conspicuously forced to abate the enormous profits made prior to the act of 1883. We have elsewhere shown how detrimental the proposed action is to the revenue.

SCHEDULE C.—METAL SCHEDULE.

The metal schedule presents some features that illustrate in a significant way the illogical character of the bill. Among these may be mentioned the substitution in almost all cases of ad valorem for spe-

cific duties; the making free a number of articles called "raw materials;" the disregard of the relations that exist between more and less finished products, and the totally inadequate duties named upon certain leading articles.

The effect of ad valorem duties has already been discussed. It is not worth while to combat the fallacy embodied in the term "raw material," since no amount of contention can obscure the fact that no such thing exists that has any value, save as it has received value from human labor or has possibilities in connection therewith.

Some idea seems to have prevailed in the minds of the majority to the effect that duties should be adjusted in proportion to the advance of the article in manufacture. The idea does not seem, however, to have been very successfully worked out. For example, iron ore is made free, and, reckoning 60 per cent of metallic iron to a ton of ore, the manufacturer of pig iron is given an advantage as to duties of \$1.35 on a ton on his product. But, on the other hand, the amount of protection thereon is reduced about \$4.50. The ingots, which are the raw material of steel blooms, are made to bear a duty of 25 per cent ad valorem; the blooms, which are the raw material of steel rails, bear the same duty, and the steel rails, the last finished product, bear the same also. Such incongruities run all through the schedule, and are apparent to anyone familiar with the processes and products of iron and steel manufacture.

FREE IRON ORE.

That which lies at the base of our iron and steel industry is iron ore. The existing duty thereon is 75 cents per ton. The revenues from its importation aggregated in the last fiscal year over half a million of dollars (\$507,976.19). It is proposed under a "tariff bill for revenue only" to throw away absolutely every cent of this large revenue by putting iron ore on the free list.

That, however, may be said to be a comparatively small matter in comparison with the effect that the proposed measure will have upon our home industry by the substitution for native of foreign ores, the product of cheap foreign labor.

Our ore industry, from whatever point viewed, is among the most important. According to the census figures of 1890, the production of iron ore for the year ending December 31, 1889, was in excess of fourteen and a half million of tons (14,518,041). Its value was more than thirty-three and a third millions of dollars (\$33,351,978). Twenty-six States and two Territories, North, South, East, and West, contributed to it. In the amount and value of production Michigan stands first, and whether Pennsylvania, a Middle State, or Alabama, a Southern State, stands second is a question of doubt. The amount of capital invested is nearly a hundred and ten millions of dollars (\$109,766,199), and the number of men directly employed over thirty-eight thousand (38,227). The average annual earning capacity for each person so employed at current wages is \$409.95.

Of course, in taking account of the value of this industry to American labor there must be added all the various labor processes, including the transportation necessary to get the ore from the hill

into the furnace stack. The theorist who talks about "raw materials" never permits himself to realize that, as has been well said, "nature rarely dispenses with transportation. She never separates, assort, cleanses, and feeds into the hopper or the stack."

The bill proposes to put into competition with American ores foreign ores, some of which are produced at a labor cost one-tenth and none of them at a labor cost greater than one-fourth of ours. It proposes to bring our laborers who get from \$1.60 to \$2 per day, and who work from fifty-five to sixty hours a week, into competition with laborers who work seventy-two hours a week and get 36 to 60 cents per day; our miners who get from \$2.25 to \$2.75 per day into competition with those who get from 60 to 72 cents per day. It proposes to condemn to temporary idleness and ultimately to divert into new channels, after an immense loss, if not the whole at least a large part of an invested capital of over thirty-three and one-third millions of dollars; to deprive our transportation lines of a large proportion of their profits from the carriage of the ore product, and to leave undeveloped treasures hidden under the soil of twenty-six States and two Territories. Foreign ore will take the place of our domestic product to a great extent, and this will cripple if it does not entirely destroy our home industry.

Ocean freights are so low as to afford no protection. Ore is frequently carried across the ocean as ballast, and when freight is paid at all it averages not to exceed 5s. per ton on iron ore from Bilbao and other points in Spain. Under these circumstances there is no question but that foreign ores will take the place of domestic in all furnaces along and within easy reach of the coast, and its low price because of cheap labor cost, will enable it to bear freight charges for long distances even into the interior. In the last analysis the placing of iron ore on the free list means either the abandonment of that industry with us, or the mining of ore to be sold in competition with the cheap labor of Cuba, Africa, and Spain.

PIG IRON.

Having sacrificed over half a million dollars per annum of revenue to the vagary of free trade, the "tariff bill for revenue only" proposes to affect another large source of revenue by serious reduction of the duties on pig iron. That duty now is \$6.72 per ton. The duty proposed is 22½ per cent ad valorem, or about from \$1.60 to \$1.90 per ton, a lower tariff than was ever before proposed on this article. That suggested by the Mills bill was \$6 per ton; under the tariff of 1846 the duty was 30 per cent ad valorem.

The revenue from pig iron during the last fiscal year amounted to over one-third of a million dollars. While decreased duties will add to importations, it is to be noticed that the difference between present and proposed duties is in the neighborhood of \$5 per ton, and that a large loss of product and a large loss of revenue are both inevitable.

Pig iron, so far as both capital and labor are concerned, is one of our leading industries, and is followed in twenty-three States of the Union.

In the year 1892 our product was 9,157,000 tons, of a value of \$131,161,039, and the prices at which it was sold to the consumer were

the lowest that it ever commanded. The proposed duty will close all New England furnaces and all east of the Alleghanies, as well as those of the South. The market for Southern pig iron is necessarily found in the North, owing to the lack of demand at the place of production. The consequence is, that the competition of Southern pig iron, which of all pig irons is made at the cheapest cost in this country, fixes the price in northern markets. That price is controlled to a large extent by freight rates. Interior freight rates are very heavy as compared with ocean rates. In many cases pig iron comes from England and Belgium as ballast, subject to no freight charges at all. In other cases it bears a burden not to exceed 5s. per ton. At this figure it can be carried to the Atlantic and Gulf ports, and even to those of the Pacific. Assuming that our pig iron, made at the least cost, is made as cheaply as that made abroad, which is not true, it amounts to a demonstration that all of our blast furnaces, save those in the interior, must succumb to foreign competition. Even the latter, if able to exist at all, must do so without margin of profit.

COTTON TIES.

There are two provisions in the bill which when brought side by side disclose in a significant way its sectional character. Hoop or band iron or steel bears an ad valorem duty of 30 per cent, "except as otherwise provided for." The "otherwise provided for" has reference to ties of iron or steel for baling cotton, which are placed on the free list. Cotton ties are simply pieces of hoop or band iron or steel cut to lengths, and in some cases furnished with a simple device at the ends for securing the tie firmly around a bale. Pieces of hoop or band iron or steel brought into this country for the purpose of being put around a bale of hay or a barrel, or for any other purpose than tying cotton, must pay a duty of 30 per cent ad valorem, while if imported for the purpose of baling cotton they come in free. This is class legislation in its worst possible form and utterly indefensible. It is also illogical legislation. Beginning with the pig iron, a duty is imposed upon the material in each of its various shapes up to and including the manufactured hoop or band. The latter is the raw material out of which cotton ties are made, and yet it pays a duty while its finished product does not.

It is legislation dangerous to the revenue interests of the Government, as all the hoop and band iron to come into this country hereafter is likely to come in as cotton ties and without the payment of duties.

The history of this industry in this country shows the lack of any plausible reason for putting cotton ties upon the free list. Prior to the passage of the act of 1890 they were dutiable at 35 per cent ad valorem. This was not a protective duty and, as a consequence, none were made here, although there was a number of mills in the United States equipped for the production of hoop and band iron or steel and for the making of cotton ties. The result of the act of 1890 was to set in operation these various industrial establishments and to induce the erection of others of like character, some of them in the South. As a consequence the home market has been supplied by the

home manufacture to the advantage of the manufacturer and the wage-earner, and the consumer as well. Cotton ties have been lower in price during the current year than at any other time in the history of their manufacture, and this as a natural result of home competition. During 1892 they reached in price, at southern ports, from 88 to 98 cents per bundle, and during the current year they have been, at these same ports, selling at as low as 75 cents per bundle.

It would appear, therefore, that the existing law has had the effect to rehabilitate an American manufacture which the lack of prior protection had largely destroyed, and in which the mills of the country were prepared to embark; to invite the investment of new capital and the employment of additional labor in an American industry; to furnish the home market, to the extent of its needs, with a homemade product in lieu of a foreign, and thus to secure our independence of a foreign combination and dictation as to prices; to do this at less cost to the consumer than he had to pay before the enactment of the law. All these advantages will be destroyed by putting cotton ties on the free list, and it is believed that such action will not simply cripple, but entirely destroy their manufacture in this country. In that event the cotton planter will pay more for his ties.

TIN PLATES.

Under existing law the duty on tin plates is 2.2 cents per pound. The duty at first proposed by the committee was 40 per centum ad valorem, but has been changed to a specific duty of 1.2 cents per pound.

It will be observed that the proposed duty is 1 cent per pound less than that of the present law. This means a severe blow to an enterprise which, under existing conditions, has grown to immense proportions, and which promises, under proper protection, to be one of the great industries of the country. Tin plates are simply steel sheets coated with tin. Terneplates are steel sheets coated with a mixture of tin and lead. Each is essentially a steel industry, 95 to 97 per centum being steel, and only 3 to 5 per centum being tin. No reason exists why tin and terne plates should not be manufactured successfully in this country except that which arises out of the difference between wages here and abroad.

All the elements necessary to their manufacture exist with us. Coal, ore, limestone, everything necessary to make a steel billet and a steel sheet, we have here. We have skilled labor and improved machinery also. While it may be true that we have no tin as yet commercially developed, we are in this respect no worse off than England. Most of her tin is imported from the islands in the Straits of Malacca, and it can be laid down as cheaply in this country as it can be in Wales, the place of English manufacture. Notwithstanding these facts, prior to the enactment of the present law no tin plates were made in this country, although we were by far the largest consumers of them of any nation in the world; and this was because of the low wages paid abroad and the lack of a protective tariff. A fair idea of the differ-

ence of cost of making tin plates here and abroad may be gained from the following table:

Comparative estimate of cost of 16½ boxes 10 14 by 20 tin plate in Wales and the United States.

Materials, labor, and cost.	Welsh cost, English money.	Equivalent in American money.	Estimated cost in the United States.
1 ton steel, 7 by ½ bars.....	£ 5 2 6		\$35.84
Less 466 pounds shearings.....	9 0	\$24.60	2.34
Available at.....	4 13 6	2.16	2.34
Rolling.....	4 6	22.44	33.50
Behinding (catching).....	1 3	1.08	4.85
Doubling.....	3 8	.30	2.47
Furnacing (heating).....	3 1	.88	2.10
Shearing.....	1 8	.74	2.43
Opening.....	1 0	.40	.76
Cold rolling.....	1 0	.24	.82
Annealing.....	1 6	.24	.82
Pickling.....	1 8	.36	1.65
Tinning.....	4 0	.40	1.98
Washing.....	4 0	.96	1.82
Rising.....	1 2	.96	.68
Rubbing and dusting.....	1 0	.28	1.23
Assorting boxes, etc.....	2 6	.44	1.65
2½ pounds tin per box, or 4½ pounds per 16½ boxes.....	1 14 4½	.60	8.71
Allowances for scruff.....	1 6	.24	.27
Coal.....	6 6	1.56	1.80
Acid.....	6 0	1.44	1.84
Palm oil.....	6 6	1.56	1.32
Wood boxes.....	6 1½	1.45	1.55
Bran and middlings.....	2 6	.60	.60
Annealing boxes (wear and tear).....	1 4	.32	.82
Castings, etc., in the different departments (wear and tear).....	3 0	.72	2.00
Management and clerks.....	2 0	.48	1.50
Other labor and trade expenses.....	6 0	1.44	4.50
Rates, taxes, and bank charges.....	3 2	.76	1.25
Cost of 16½ boxes.....	10 4 9	49.14	80.92
Cost of 1 box.....	12 6	2.97	4.90

Commenting on this table W. C. Cronmeyer, who appeared before the Ways and Means Committee, and who is well known to be a man of good judgment and of strict veracity, said:

In this table the cost per box in Wales is estimated at 12s. 6d., but only a few days ago I had a visit from Mr. Edwards, an extensive tin-plate manufacturer of south Wales, who assured me that the total cost of cheap coke plate at his works did not exceed 10s. per box, which in America would be about \$2.42 per box, or not much more than the duty levied in this country. I have not the least doubt of the truthfulness of Mr. Edwards's assertion. The conditions in Wales have not materially changed in late years, and consequently the same cost price must have ruled for some time. Previous to the enactment of the McKinley bill the duty was 1 cent per pound, or \$1.08 per box. This added to the cost of tin plates at the mills in Wales would make the total \$3.50. Yet the lowest average selling price of coke plates in this country during the eleven years 1881 to 1891 was \$4.86, or just \$1.36 more than the cost at mill in Wales plus the duty. Who received that amount, which as a remarkable coincidence is within 2 cents the same as the additional duty which was put on tin plate by the McKinley bill? Somebody has been taxing our consumers to the same extent all along, but the amount did not go into the United States Treasury. Somebody else has been receiving this tax for revenue only.

In the twenty years from 1871 to 1891 we paid to Great Britain for tin plates the enormous sum of \$307,341,404, exclusive of ocean freights, importers' profits, and middlemen's commissions, on a total importation during those years of 3,622,750 gross tons. Then came the act of 1890, which imposed a duty of 2.2 cents per pound, a rate of duty reasonably protective in its nature. Its coming totally re-

versed the situation. American capital was induced by this protective duty to embark in the enterprise of making tin plates, with the result that, according to the last reports, between forty and fifty firms have become engaged in the manufacture of tin plates, with an investment of nearly three and one-half millions of dollars. The following figures, taken from the report of a special agent of the Treasury Department charged with the investigation of this industry, illustrate in an emphatic way its growth. These figures are as follows:

Production by quarters.	Pounds.
July 1, 1891, to September 30, 1891.....	826, 922
October 1, 1891, to December 31, 1891.....	1, 409, 821
January 1, 1892, to March 31, 1892.....	3, 209, 225
April 1, 1892, to June 30, 1892.....	8, 200, 751
July 1, 1892, to September 30, 1892.....	10, 952, 725
October 1, 1892, to December 31, 1892.....	19, 756, 491
January 1, 1893, to March 31, 1893.....	29, 566, 399
April 1, 1893, to June 30, 1893.....	39, 543, 587
Total for first year.....	13, 646, 713
Total for second year.....	99, 819, 209
Total for both years.....	113, 466, 922

It will be observed that the product in the last quarter of the fiscal year was forty-eight times greater than the production in the first quarter of the fiscal year 1891.

Contemporaneous with the imposition of this new duty, the price of tin plates abroad fell to an amount equal to the amount of the additional duty. It is a fact, incapable of controversy, that tin plates are now as cheap in this country to the consumer as they have ever been. And it is also a fact beyond question that the American product is equal, and by many claimed to be superior, to the foreign in quality.

One of the significant things that has been demonstrated by the operation of the present law is this, that prior to its passage, while England had a monopoly of our markets, tin plate manufacturers compelled us to pay prices largely in excess of those that would have yielded a fair profit, as has been shown by the testimony of Mr. Crone-meyer. In view of the pressing need of revenue on the part of the Government, the action of the majority in cutting down this duty seems to be utterly indefensible. No more effective revenue duty exists than that now imposed on tin plates.

During the fiscal year ending June 30, 1893, there were imported into the United States 628,425,902 pounds of tin plates, which paid a duty at the rate of 2.2 cents per pound, and thus produced a total revenue to the Government of \$13,825,369.84.

It is clear that the present duty admirably serves the twofold purpose of producing revenue for the Government and of affording reasonable protection to an American industry. No sufficient reason has been advanced for the destruction of an industry which in such a short period of time has gained a foothold, and which promises such a brilliant future. Side by side with the advance in the American tinning of sheets, the manufacture of black sheets to be tinned has progressed. According to the most reliable evidence, the time is not far distant when, if proper protection be continued, all the black sheets necessary to make all the tin plates required in this country, and all the tin plates so required, will be made here.

One of the provisions of existing law is that the duty of 2.2 cents per pound on tin plate shall cease unless in some one of the six years next preceding June 30, 1897, the aggregate quantity of tin plates produced shall have equaled one-third of the amount of such plates imported and entered for consumption during any fiscal year after the passage of the existing law and prior to October 1, 1897. There can be no doubt that our capitalists have invested their money in the manufacture of tin plates upon the faith that this provision operated as a governmental pledge that the tin-plate duty under existing law should continue for a period of six years. Had the language of the act been embodied in an instrument to which individuals were parties of the first and second part, it could hardly successfully be contended that there was not a contract that this duty would continue for six years. Of course no claim of legal contract can be made against the United States as sovereign, but at the same time it is difficult to resist the conclusion that in morals the contract exists, calling for recognition on the part of Congress. Nothing seems more clear than that the proposed change of duty upon tin plates is against the interest of the Government as a revenue measure, that it threatens the destruction of one of our most prosperous and growing industries, narrows the sphere of labor, works no good to the consumer, and approaches dangerously near to bad faith upon the part of the Government.

STEEL RAILS.

The present duty on steel rails is \$13.44, and under existing conditions might safely be reduced, but the proposed duty of 25 per cent ad valorem is indefensible. Some commanding reason ought to be presented for such an immense cut in duty, greater than any other proposed by the bill. If steel billets merit a duty of 25 per cent, and steel blooms a like duty, it would seem to go without saying that rails should bear a higher.

There are many reasons which space will not permit us to enumerate why the cost of making rails is greatly in excess of the cost of making billets. Suffice is to say that the fixing of a duty of 25 per cent ad valorem on billets is a confession that the duty should be much greater on rails.

No one has asked for any reduction of duty on steel rails. They are to-day cheaper than they have ever been to the domestic consumer. To lower the duty to the extent proposed means simply to close most of our mills and put our railroad companies at the mercy of the foreign manufacturer. Recent sales have been made of foreign rails at Montreal at \$19 per ton. This means, allowing \$1.50 per ton for freight, \$17.50 per ton as the price, and means further that at 25 per cent ad valorem foreign rails could enter our market at \$21.37 per ton.

In 1886, 1887, and 1888 the average selling price of British rails, delivered free on board vessels at British ports, was, respectively, \$18.70, \$19.70, and \$19.15 per ton. During the summer months of 1886 the price was as low as \$16.42 per ton.

No argument is needed to show that under the proposed duty of 25 per cent ad valorem it will be impossible for our home manufacturers of steel rails to compete with the foreign. And this means more than appears at first sight.

Our steel-rail industry has kept hundreds of millions of dollars at home, for circulation among our own people, which would otherwise have been drained to

Europe to pay for foreign rails. It has been the chief factor during the last fifteen years in building up our pig-iron industry and in developing our iron-ore industry, so that each of these industries is to-day the first in the world, as is our steel-rail industry itself.

CUTLERY.

Under the tariff of 1890, the duties on pocket and other cutlery were both specific and ad valorem, and were placed at a protective point. Prior to 1883 the duty on cutlery was fairly protected. Under its operation the domestic products were nearly equal in value to imports. The law of 1883 provided a duty on cutlery, including razors, of 50 per cent ad valorem. This duty was grossly inadequate, as the labor cost in making cutlery is highly skilled and is nearly all done by hand; it equals 80 per cent in knives and 90 per cent in razors. The wages paid in this country average from \$15 to \$18 per week of fifty-five hours, against \$4.50 to \$7 of seventy hours in Germany.

The effect of the tariff of 1883 was to swell the importation by one-third, so that they amounted in 1889 to over \$2,000,000, while at the same time the American product was reduced by over one-third, being only \$730,000 worth. Under the operation of the law of 1890, the American product increased, and now about equals the import product, and last year, 1893, amounted to over \$1,600,000. This has been accomplished without any increased cost to the consumer, while double the number of hands have found employment at an increase of 20 per cent in their individual wages. The proposed bill reduces the duty to 35 and 40 per cent on different articles, and reintroduces the pernicious ad valorem system. Of course should this bill be adopted history will repeat itself. Wages will again be reduced and at least one-half of those recently employed in this industry must find employment elsewhere.

SCHEDULE D.—LUMBER.

We have already remarked upon the incongruity of freeing all kinds of lumber except planed boards, and only desire to add some views as to the effect of the proposed action. Upon the great bulk of the production of the United States there may be some question as to results. But that the result will be advantageous to the consumer can not in any way be predicted. Our production is so large compared with Canada that one of the consuls there appointed by Mr. Cleveland and in position to know avers that the duty kept out of the United States Treasury by free lumber would at first go into the pockets of the Canadian lumbermen and eventually, by the device of raising the price of limits, into the treasury of Canada, because Canada owns the lands and needs revenue, while the effect in general as to prices to the consumer and consequently given to the producer might be in doubt, the effect on the borders in certain localities would be very disastrous. There competition would lower prices, and in such localities great misfortune would ensue. Such would be the case in Maine on the Atlantic, and in Washington and Oregon on the Pacific, and all along the border. The lessening of the duties under the act of 1890 has not decreased the price of lumber, nor in general will the proposed bill produce that result. Loss of revenue for the benefit of Canadians and unjust and ruinous competition will be the sole result, including

the shutting up of many establishments now supporting many workmen.

As another example of the far-reaching effects of this bill, we desire to add that on the Pacific slope the trade in lumber will inevitably pass from vessels in the coastwise trade, which are our own, to those in foreign trade, and since the lumber competing with ours will be British the vessels will be British, and all those connected with the coastwise trade will suffer.

SCHEDULE E—SUGAR.

The tariff law of 1890 placed sugar, up to and including No. 16 Dutch Standard, on the free list, to take effect April 1, 1891. The duties which had been collected from the people on sugar prior to 1890 had amounted to the enormous sum of \$1,460,412,227, these duties being levied on an article of prime necessity, which, up to 1890, we had only been able to produce about one-tenth of the amount needed for our consumption. These duties were, therefore, levied under the theory of a tariff for revenue only.

The Fifty-first Congress was a protective Congress, and, not believing in a tariff for revenue only, wisely repealed the old law, and for the first time in the history of the country sugar came free to the people. This has resulted in a direct saving to the American people of over \$200,000,000, less \$16,717,726 paid for bounty and \$11,000,000 estimated to be due to the producers for this year, which would aggregate \$27,717,000, being a direct saving of over \$1.25 per year for each person in the United States.

In harmony with the doctrine of protection the Fifty-first Congress deemed it their duty to give protection to the growers of cane, beet, and sorghum sugar by way of bounty.

In view of the fact that we have a vast area of country especially adapted to the growing of sugar, and believing that it was a sound policy to make the American people self-sustaining in an article the annual consumption of which was constantly increasing, and which requires an annual expenditure of about \$115,000,000, nearly all of which is paid to foreign labor, wisely, in the opinion of the minority, Congress provided that the grower of cane, beet, and sorghum sugar should be paid a small bounty, to run until 1905, and to carry out the provisions of this law a continuing appropriation was made to pay the bounty. The bill of the majority proposes to reduce the amount of bounty allowed by existing law, beginning July 1, 1895, at the rate of one-eighth of a cent per pound per year, and that on July 1, 1902, said bounty shall "cease and determine." The policy of paying bounties directly or indirectly for the purpose of encouraging certain industries is as old as the Government itself, and has been recognized in the statutes of both State and nation since 1789. This policy has been validated by the highest courts of our country.

The bounty provided by the law of 1890 was in the nature of a contract made by Congress with each and all persons who should engage in the production of cane, beet, or sorghum sugar of certain saccharine strength, who should under that contract receive the bounty provided for by the appropriation from the Treasury. Under the provisions of this understanding large amounts of money have

been invested and a larger amount of sugar has been produced in the United States during the past three years than in any similar number of years before in our history. Especially is this the case with beet sugar. While it is only a short time since the beet industry was inaugurated in the United States, yet the results are most promising, and clearly indicate that if existing laws were maintained until 1905 we would produce a large percentage of our sugar from this source alone.

The history of the production of beet sugar is not only remarkable, but interesting. Less than a century ago, this industry was commenced in France under a bounty system authorized by a decree of Napoleon I. Germany and other European countries followed the example of the French. So great and phenomenal has been this development that those countries are to-day not only self-sustaining, but are also large exporters of sugar to other countries. European countries sold to the United States during the fiscal year ending June 30, 1893 (most of which came from Germany), 436,287,435 pounds, valued at \$12,844,966, all of which should and would be produced in this country in a short time if existing law shall be maintained. The same state of facts pertain to cane and sorghum sugar.

Notwithstanding all these facts, we find the majority of the committee eager to strike down this great and growing industry, which under existing law would soon supply the wants of our people, and which would keep in the pockets of the American farmer over \$1,000,000,000 a year, and would also be the means of distributing to American labor many millions of dollars annually.

More than this, we find the majority ready and willing to violate what, in our opinion, is an equitable understanding had between Congress and the producers of sugar, the violation of which is a deathblow not only to the cane-sugar producer of Louisiana, but also to the beet and sorghum sugar producer of Nebraska, Kansas, Utah, and California.

We can not criticise too severely the action of the majority of the committee in thus disregarding the understanding created by the law and already acted upon in good faith by many of our citizens by expenditure of money and enterprise. Our duties to our citizens created by law ought to be respected like the obligations created by our bonds.

Instead of carrying out the understanding of the law of 1890 the committee propose to substitute for a definite sum for a definite period, which will give us an industry worth the price, a bastard bounty which no man in his senses or out dreams will give us our supply of sugar. Instead of a bounty they give a gratuity. On what principle can thirty-four millions be given to any set of people as a gratuity? If it was a contract, keep it; if not, then there can be no liquidated damages.

SCHEDULE F.—TOBACCO.

The majority of the committee have reduced the duty on leaf tobacco suitable for cigar wrappers \$1 per pound on the unstemmed, which is the variety imported. This brings it back substantially to the rate of 1883. But what is still more vicious than all this is that they have reintroduced the phrase, "Such as is commercially known as wrapper tobacco," etc.

The universal testimony is that this language provided a loophole for fraud. Under it nearly all wrappers came in as fillers at a duty of 35 cents per pound. It was impossible to detect fraud unless every bale was opened and every leaf was handled. Under this wording and the old duty importation of Sumatra tobacco increased from 573,159 pounds in 1881 to 7,098,395 pounds in 1888. The importation for 1892 of cigar wrappers was only 327,801 pounds, and for 1893 still less.

The effect of the law of 1890 on the production of tobacco in the United States has resulted in great prosperity to the tobacco farmers. Above 25 per cent of this crop is suitable for wrappers and now brings a fair price; prior to 1890 he was compelled to sell it all as fillers at a less price. There has been an immense increase in the consumption of American cigars at no additional cost to the consumer.

Imported cigars, which are used only by those who are able to help bear the burden of the Government, have cost the consumer more money, all of which goes to the United States Treasury. Why this order of things should be reversed the majority do not satisfactorily explain. It is consistent, however, with other parts of the bill, which reduce the duties on brandies, with no reduction on domestic spirits. Not even the excuse of greater revenue can be urged for the reduction of the duty on brandy, a purely revenue duty levied upon one of the luxuries of the rich.

SCHEDULE G.—AGRICULTURAL PRODUCTS.

The majority have made a general reduction in this schedule and have made use in many instances of the vicious ad valorem rate. This gives peculiar satisfaction to the Canadian farmers and Bermuda members of Parliament, because it enables them to come into our markets on more than equal terms.

A recent investigation develops the fact that our farms and farm labor cost one-third more than the corresponding farms and farm labor in Canada. So, lest the Canadian farmer should be outstripped in the race for our markets, this bill fixes the duties on his farm products at a rate less than 20 per cent, and gives him an advantage of $13\frac{1}{2}$ per cent over our own citizens. In addition to this, with all kinds of manufactured lumber on the free list, it is no wonder that Canadian statesmen are boasting that they get more by this bill than they could hope to get by the most favorable reciprocity treaty, and this without the surrender of a single advantage on their part.

Competition of our millions of farmers will always regulate the price of farm products in this country so that they will bring no more than a fair return. Why, then, open our markets to Canada and deprive our own citizens of them without forcing the Canadians to pay at least the difference in cost of production into the Treasury?

One of the proofs of unselfishness on the part of the committee, which has enabled it to receive encomiums in high quarters, is illustrated in a duty equal to 71 per cent on rice, a southern product, as against an average of less than 20 per cent on the products of northern farms.

In exchange for this and for free wool the farmer's machinery and binding twine are put on the free list. Under the competition encouraged by protection the farmer's machinery has been cheapened to a third of its former cost. To give the Canadian manufacturers an

equal footing may possibly produce a slight reduction in the cost, but would only result in driving out the small manufacturers; the survivors would be compelled to form combines and trusts to continue in business. In binding twine the result would send the business to Calcutta, Hongkong, and Dundee; the product would be cheaper for a time, but in the end the importer would get the profits and the farmer will have to pay the same, or more, after domestic competition is destroyed.

Salt is a finished product. Nearly the total cost of its production is human labor. In the Wyoming district in New York, it furnishes employment to 5,000 people; in Syracuse and in Michigan to many more. The freight on salt from Liverpool to New York for two years past has ranged between 36 cents and \$1 per long ton, the average not being more than 60 cents. From the Wyoming district the rate is \$2.24 per long ton to New York.

Under the present duty of 8 cents per 100 pounds the importation in 1893 was 140,000 tons and paid a revenue of \$301,972.60. To get this trade the English merchant made a discount on sale for America nearly equal to one-half the duty. He sells for shipment here at a less price than to any English province. Salt is produced in such quantities and in such universal competition here that the cost to the consumer has declined at the factory from \$4 per barrel to 40 cents for the same article. To find a market here the English producer and the English ocean carrier must and do pay the entire tariff.

Free salt means the surrender to England of our eastern markets, to Canada of our northern trade. With free salt the Liverpool merchant will supply the retail merchant at a price just below the cost to the Wyoming manufacturer. The consumer will doubtless pay about the same as now, and the difference between the cost abroad and the cost here will be divided between the foreign producer, the ocean carrier, the single distributing agent in New York (who now gets a profit on every pound of salt shipped from Liverpool to the United States or Canada), and the American retailer, while the Government loses the revenue. The American workman must seek some other employment or accept a large reduction in his wages. There is no excuse for putting this finished product on the free list. It is unjust to the American workman, the consumer, and the Government.

SCHEDULE I.—COTTON MANUFACTURES.

This schedule in the bill shows the same inconsistencies and a lack of knowledge on the part of the framers of the bill of the intricacies of the industry that have marked the preparation of the other schedules in the bill. It is an important industry not only in the New England, but has become such in the Southern, Middle, and Western States as well. The census reports show that in 1890 there were 904 cotton factories in America, with an invested capital of over \$354,000,000, and that employment is given to 221,585 people, and that there is annually paid to labor \$69,489,272.

In the New England States 402 of these industries are found, which give employment to 148,718 people and distribute annually among them the sum of \$49,908,591. That the Southern States appreciate the benefits of protection in this industry at least is manifest from the fact that 37,168 people find employment in 239 cotton mills,

and there is paid to them annually the sum, in round numbers, of \$8,000,000. The import duty imposed under existing law is scarcely sufficient to protect American labor and capital from heavy importations from England.

No finer grades or qualities of cotton thread, yarn, and cloth are manufactured in any country in the world than that which is produced in American mills. The question of labor alone is what makes them ask for the retention of the present tariff. The following tables give a comparison of wages between a fine American and English spinning mill on the same product and the same output:

Comparison of wages between a fine American and English spinning mill working on the same production and the same output.

TWISTING-ROOM HELP.

American wages per week:		Manchester, England, wages per week:	
Men twister tenders...	\$10.00	Men twister tenders	
Women	\$7.00-8.00	(23s.)	\$5.60
Doffer	5.00	Women twister tenders	
Winders, piecework...	7.50-9.00	(12s. to 14s.)	\$2.92-3.40
		Doffer boys (8s.)	2.00
		Winders	3.00-4.00

Pay roll for the mill in America amounts to \$4,000 per week; in England, \$2,500 per week, or about 38 per cent against American manufactories in spinning of fine cotton yarns.

The statement is made by one of the best-known American superintendents, who has had twenty-five years' experience in English mills and is now running a mill in this country, that the operatives in the American mills do not produce any more work than they do in the English mills; in fact, he claims that our summers here, the climate is against us, being too warm; and, if anything, he can produce more goods from the same number of hands in England than he can here, and even better quality of work, owing to the better training and long experience given to the English operative.

CARD-ROOM HELP.

American wages (picker room) per week:		Manchester, England, wages (picker room) per week:	
Boss picker tender	\$10.00	Boss picker tender	\$4.88
3 helpers, men, \$7	21.00	3 women helpers, \$2.50	7.50
Total	31.00	Total	12.38

Over 100 per cent against American mill.

Boss grinders	\$10.00	Boss grinders	\$6.08
Stripper tenders	7.50	Stripper tenders, men	4.38
Lap carrier boy	5.00	Lap carrier boy	2.00
Total wages	22.50	Total wages	12.46
Slubber, intermediate and jack frame, women help earn ..	\$8- 8.50	Best women help for same work earn only 14s.	3.40
Comber tenders	7.00	Comber tenders (14s.)	3.40
Drawing tenders	7.00	Drawing tenders (12s.)	3.00
Ring-frame spinning	7.00	Ring-frame, highest wages ..	3.75
Doffers-frame spinning	4.50	Doffers (4s.)	1.00
Mule spinning, 2,000 spindles to the pair:		Mule spinning, 2,000 spindles to the pair:	
Spinners average	15-16.00	Spinners average	11.00
Piecers average	7.00	Piecers average	3.75
Back boys average	4.50	Back boys average	2.00
Total cost pair mules	26.50	Total cost pair mules	16.75

Difference against American mill, 60 per cent.

Comparison of wages.

	English (J. Whitaker & Co., Church).		American (King Philip Mills).
	Wages.	United States equivalent.	
Engineer.....	s. d.		
Firemen.....	33 0	\$7.98½	\$24.00
Slasher tenders average.....	21 0	5.08	9.57
Cloth inspectors average.....	35 0	8.47	10.08
Boys (half time).....	26 0	6.29	10.50
Loom-fixers average.....	2 6	.60½	6.00
Spoolers.....	37 0	8.95½	12.82
	14 0	3.38	5.50

CARDING.—5.

[Rate, \$4.84 per pound sterling. Used 24½ cents per shilling.]

Pickers :

Huncoat Manufacturing Company, near Accrington (16s. 6d.)	-----	\$4.00
Vine Spinning Company, Oswaldtwistle (17s. 10d.)	-----	4.32½
Accrington Cooperative Spinning Company—		
One at 20s	-----	4.84
Two at 14s	-----	3.39½
Union Street Manufacturing Company, over Darwen	{ (20s. 6d.) ---	4.96½
	{ (16s.) -----	3.88
Hippings Vale Spinning Company, Oswaldtwistle (18s. 5d.)	-----	4.46½
Average price paid, nearly	-----	4.27

King Philip Mills, \$8.58 and \$7.42.

Grinders :

Huncoat Manufacturing Company, near Accrington (24s.)-----	5. 81
Vine Spinning Company, Oswaldtwistle (24s.)-----	5. 81
Accrington Cooperative Spinning Company (24s.)-----	5. 81
Union Street Manufacturing Company, over Darwen (22s. 7d.)----	5. 46½
Hippings Vale Spinning Company (23s. 6d.)-----	5. 68½

Average, nearly----- 5.72

King Philip Mills, \$9.25.

Alley boys:

Huncoat Manufacturing Company, near Accrington (14s.)	3.38
Vine Spinning Company, Oswaldtwistle (17s. 6d.)	4.23
Accrington Cooperative Spinning Company (10s.)	2.42
Union Street Manufacturing Company, over Darwen (12s.)	2.90
Hippings Vale Spinning Company (12s. 9d.)	3.08

Average price----- **3.20**

King Philip Mills, \$6.

Drawing tenders:

Huncoat Manufacturing Company, near Accrington (18s.)	4.35½
Vine Spinning Company, Oswaldtwistle (20s. 6d.)	4.96
Accrington Cooperative Spinning Company (19s.)	4.59½
Union Street Manufacturing Company, over Darwen (20s.)	4.84
Hippings Vale Spinning Company, Oswaldtwistle (20s.)	4.84

Average-----4.84

King Philip Mills, \$6.

Sweepers :

Boys, 15 to 17 years (12s.)	2.90
King Philip Mills, girls just over school age, \$3.71.	
Lap and roving carriers (17s. 6d.)	4.23
King Philip Mills, \$7.20.	

The imposition of this duty developed in this country this industry. Prior to 1861 nine-tenths of the spool cotton used in the United States was imported. Such has been the favorable working of the protection given this industry that now more than nine-tenths of all the cotton used in America is made here. When the duty of 21 cents on each dozen of spools of 200 yards was imposed the price of spool cotton in the United States was $47\frac{1}{2}$ cents net per dozen.

In 1861 the price of standard spool cotton in Great Britain was 26 cents net per dozen spools of 200 yards each. While the net price was only 26 cents in Great Britain the American consumers were required to pay for the same product $47\frac{1}{2}$ cents net per dozen, thus making 83 per cent profit on sales in the American markets over the profit made on sales at home. Since the American manufacturers have had control of the market they have reduced the price of this product to the American consumer more than 25 per cent on that charged by the foreign manufacturer when he controlled the market. This reduction has been made possible under existing laws by furnishing a steady and a certain market to the American producer.

While this great reduction has been made in America, there not only has been no reduction in the English price in the home market, but there has been an actual advance of 2 cents per dozen, and what could be purchased in England for 26 cents per dozen in 1861 now costs 28 cents per dozen. The difference in the price of labor paid here and abroad is such that, while the American manufacturer has been receiving 38 cents for each dozen of spools containing 200 yards and the English manufacturer only 28 cents for the same quantity and quality of goods, yet American manufacturers' profits have been so small that they have earned less than 4 per cent per annum on their capital invested, while the English manufacturer, by reason of the lower price paid to his laborers, has earned more than 8 per cent per annum upon the capital he has invested.

It is apparent from these figures to the most casual observer that the proposed reduction of duty in the pending bill will destroy this industry in America and again place the American market under the control of the English manufacturer. It is safe to say that if this bill becomes a law and this industry destroyed, as it will be, that the American consumer will receive no benefit therefrom, because as soon as the English manufacturer has obtained control of the market, as he possessed it prior to 1861, the price of spool cotton will be advanced, and the enormous profits that were made by these foreign manufacturers before the development of the American industry will again be received by them.

The question of maintaining or reducing the present duty in the cotton schedule is one entirely of labor. If the Democratic party is determined to degrade the American wage-earner in this industry to the position that is occupied by the foreign laborer, and reduce his wages to a figure that will be barely sufficient for him to eke out an existence for himself and family, they could not more successfully accomplish their object than by forcing into legislation this schedule.

HOSIERY AND KNIT GOODS.

Under the existing law the hosiery and knit goods industries have made marked progress. There are 993 factories engaged in the manufacture of knit goods, and they are distributed over thirty-seven States.

These give employment to a large army of operatives, and have furnished to the American consumer a product in every respect superior to the like product in foreign countries and at prices cheaper than before the passage of the law of 1890. For the year ending June 30, 1893, the importation of cotton knit goods amounted to \$6,385,973. This is evidence that under existing law large importations are made from abroad, and the present tariff rates serve the purpose for revenue well.

A large part of these goods come from Chemnitz, Germany. The manufacturers there, immediately after the passage of the present tariff act, reduced the wages of their workmen, and have sold their products at a reduced rate to hold the American market, thus demonstrating that the foreign manufacturer and importer, under a well regulated tariff law, pay the duty. The price paid American labor in this industry averages more than three times the amount paid those in the same industries in Chemnitz, Germany. Under the present tariff rates the American manufacturer, by exercising the strictest economy and displaying remarkable business sagacity, has been able to maintain himself and to furnish the American consumer an article superior in quality to that of the foreign product, and at a price cheaper than had been exacted by the foreign manufacturer.

In the grades of goods known as "medium fine goods," "fine goods," and "very fine goods" the American manufacturer has not only practically controlled the market, but, by reason of his having a certain and sure market, has been enabled to and has made it possible for the consumer to buy cotton hosiery from 10 to 25 per cent cheaper than before the present law went into effect. The figures already given show that on the very coarse goods heavy importations are made under existing law.

Had it not been for the increased duty on the higher and finer grades of goods, the American manufacturer would have been driven out of the American market by the German manufacturer with his cheap labor. This bill, in all of the finer grades of goods, reduces the import duties on an average of nearly or quite 75 per cent. Any person familiar with the industry knows that such a reduction means the destruction of these industries on all finer grades of goods. American workmen can not be induced to work for the price paid the German workmen in the same industry in Chemnitz.

SCHEDULE J.—FLAX, HEMP, JUTE, ETC.

This schedule represents an immense industry. Under the present law the farmer and the mechanic are alike protected. There has been great progress in development since 1890. There is no good reason why our farmers should not raise all our flax and hemp. There is no good reason why, in a few years, we should not manufacture our finest linens. But the schedule is cut without rhyme or reason. The farmer's finished products, flax and hemp, are made free.

The duty, equal to 6 per cent, is taken off binding twine, while the farmer's grain bag must pay a duty of 20 per cent. This latter duty will hardly enable the manufacturer of bags in this country to continue the business, while the duty of 15 per cent on burlaps, from which the bag is made, will require a cut of from 30 to 60 per cent in

the wages of thousands of American workmen, or a transfer of the business to Calcutta.

The manufacturers of collars and cuffs have a "protection" of 35 per cent ad valorem, while the linen they use is dutiable at 30 per cent. It was of no avail that the most reputable business men of Troy, N. Y., where 15,000 people are employed in the collar industry, clearly demonstrated that the business under the present law was no more than fair. These men are manufacturers, and therefore "robbers." The committee prefers to take the statement of a single importer—one Adolph Rosenfeld—who says under the rates he recommended and the committee adopted he can make the modest profit of $37\frac{1}{2}$ per cent on imported goods.

The committee has adopted the vicious ad valorem system in the schedule, with the exception of two items. For this reason even the duties they impose can not be collected. It is no wonder that under the threat of this bill the industry is prostrated. Tens of thousands of people are idle to-day who a year ago were steadily employed in the industries under this schedule. Enact the proposed schedule into law, and they can only get work at a reduction of from 30 to 50 per cent in their wages. The consumers will scarcely get cheaper goods. The difference in cost of production will be divided between the retailers of the country and the Rosenfelds who import. Meanwhile the Government will receive one-third less revenue, a loss of over \$6,000,000.

SCHEDULE K.—WOOL AND MANUFACTURES OF WOOL.

This schedule as proposed in the committee bill is in some respects the most reprehensible. It proposes to destroy at a blow the great industry of woolgrowing, which now ranks as seventh, in the value of its products among the several branches of American agriculture, and which has heretofore been recognized as an agricultural product deserving and requiring protection under every administration and by every tariff act since that of May 22, 1824. Nothing short of the total destruction of this important industry can be counted upon as the consequence of placing both wool and mutton on the free list. This conclusion will be forced upon every person who studies the conditions under which wool is grown in this country, or the greater part of it, compared with the conditions prevailing in Australia, South America, and the Cape of Good Hope. These three countries of the Southern Hemisphere, together with the United States, have come to be the great sources of the world's supply of clothing wools.

In each of these countries, except our own, the sheep roam at will on lands which are either free or rented at a nominal sum. They obtain admirable pasturage the year around, and require no care beyond that of shepherds. In the United States our fine wools are chiefly grown on high-priced lands, located in temperatures which require that the sheep shall be housed and fed from four to six months in the year. It is self-evident that the cost of raising wool under these latter conditions is greater than in the semitropical countries to whose clip it is proposed to throw open our doors. Woolgrowing is carried on there under systems entirely different from our own, with immense flocks, and with methods of care, clipping, and transporta-

tion which enable the product to be laid down in the world's markets at the minimum of cost and at a minimum of profit.

Notwithstanding the enormous development of woolgrowing in these countries during the last twenty-five years, our farmers, protected by the duty, have been able to realize prices for their wool which, though falling steadily as prices have fallen abroad, have still enabled them to preserve and increase their flocks. The pressure of a constantly increasing competition carried on by the wholesale methods we have indicated has given our people the benefits of cheap clothing, constantly growing cheaper, while the duty has saved our farmer from the consequences which have followed that competition in European countries, where the industry of fine-wool growing is rapidly becoming extinct. The gain to the country has been incalculable in the direction of a diversified agriculture not only, but in the abundance and the cheapness of a wholesome food supply of mutton.

It is a fact, established by experience, that at the prices for wool now prevailing in the foreign markets our farmers can not continue the business of woolgrowing without absolute yearly loss. During the past year, owing to the impending threat of free wool and radical reductions in the duties on woolen goods, the prices of domestic wools of all descriptions have fallen from 30 to 50 per cent below the prices that prevailed a year ago. Even at these figures there has been little market for wool, and many farmers have still on their hands this season's clips, which at this time last year were being rapidly converted into goods by mills which now stand idle. The value of the sheep has fallen equally with the value of their clip. The depreciation in the value of this species of agricultural property from the two sources may be conservatively stated at \$50,000,000.

This is only the beginning of the disaster. The farmers understand that the present wool market, demoralized and unprecedented as it is, is not yet down to a free-wool basis. They realize that their wool must still depreciate in value from 3 to 15 cents a scoured pound before they can compete on even terms with the fleeces of the South American pampas. Consequently there has been a rush to get out of the business before the bottom is reached. Sheep have been sent to the shambles faster than the markets would absorb them. From all sections of the United States where there has been any considerable pursuit of sheep husbandry come reports that fattening for the market is now practically universal. Authenticated instances have come to the knowledge of the minority where the number of sheep in certain counties in Ohio, Michigan, and other States has been reduced one-half, and the market reports indicate that for the country at large the increase in the number slaughtered has been over 100 per cent. The losses already entailed upon our farmers and the losses yet to come have been and will be the more cruel and the harder to bear because they have been so widely distributed among men of small means accustomed to rely upon the proceeds from their flocks for the ready cash required for their harvesting expenses. There has been a great shrinkage in the value of all commodities during this year of disaster, but nowhere has it been so great or so hard to bear as in wool and sheep.

Again, the cost of transporting wool from our ranches in the distant Western States to the Atlantic seaboard is five or six times greater than the ocean freight rates on wool sent hither from the

London or the Antwerp markets. In the former case the cost runs from 2 to 3 cents per pound; in the latter it does not exceed one-half of 1 cent a pound. The moment wool becomes free the growers of wool beyond the Mississippi River would be excluded from our Atlantic manufacturing towns by this difference in freight rates, even if the cost of growing were the same.

One serious effect of this upon manufacturing should not escape notice. Scattered throughout our Western States, and to some extent in the South, are many woolen mills, hitherto prosperous, which supply the local markets for cloths, flannels, blankets, etc., and depend exclusively upon the wool grown in their immediate neighborhood for their raw material. When this wool ceases to be grown these manufacturers must look to foreign sources for their supplies, that is to say, they must pay the inland freights upon their wool at rates which will destroy their power to compete with eastern manufacturers who save these freights. Many millions of dollars are invested in these western mills; they are the basis of the prosperity of many thriving towns and villages. They will be injured quite as much by the provision to put wool on the free list as by the reduction in the duty on woolen goods.

Of late years there has been a small but steady increase in the number of our sheep. Under the encouragement afforded by the law of 1890 the number increased from 43,431,136 in 1891 to 44,938,365 in 1892 and 47,273,553 in 1893. If this bill becomes a law these annual gains will give way to much greater annual losses and our flocks will soon be reduced to the dimensions that prevailed before the civil war.

As if to make this result certain, the majority not only puts wool on the free list but mutton also. The latter provision will discourage those of our farmers who have been hopeful that they might still grow sheep successfully by devoting their attention to mutton breeds. They can not compete in this industry with the Canadian farmers, whose lambs and mutton have found a constantly increasing market in the States, even against the present duty. Recently good mutton has been shipped to this country from South America, where the business of preparing meats for foreign markets is in its infancy. It is also true that Irish and Scotch mutton have found a considerable American market since the great ocean steamers have increased their speed and freight-carrying capacities. The existing duty is not sufficient to check the growth of this trade. The absence of all duty will immensely stimulate it.

It will be argued that there must ultimately be a sharp reaction from the present depression in wool prices, and it is common to assert that with free wool the prices of foreign wools will advance, carrying back the prices of domestic wools to something like their old value. It would be strange, indeed, if the destruction of our American flocks, or their reduction to one-half or one-third their present number, attained under the fostering stimulus of adequate protection, did not add to the value of the wool of other countries, for the American people consume as much clothing wool as the whole continent of Europe. From this point of view free wool will be a veritable boon to the nations which have latterly been producing an oversupply. But such a reaction in price will be of no advantage to the American farmers. Foreign wools must advance to the full amount of the

present duty before our farmers can resume competition with them. Nobody believes that so great an advance can take place.

Be the advance in the price of foreign wools more or less, it can not restore our domestic sheep husbandry. Experience is a teacher whose precepts the farmer unerringly follows. It has already taught him that without the advantage of a discriminating duty he can not compete with farmers who can raise wool for nearly one-half less per pound than it costs him to raise it. Knowing perfectly well that he can not do it he will not attempt to do it. Whatever of sheep husbandry will remain in this country, under free wool, will be a purely mutton industry, of which wool will be a by-product. The splendid flocks which thirty years of adequate protection have developed will disappear. This great industry, from which have annually come 300,000,000 pounds of American wool for the clothing of the American people, will be turned over to foreign nations waiting to supersede it. The \$60,000,000 to \$75,000,000 which has annually accrued to our farmers because of it will go henceforth to others, and one of the most valuable diversifications of our agricultural industry will have been permanently lost.

We turn to the reverse picture for the purpose of discovering some possible offsetting result to warrant this wanton assault upon a great national industry. We find but one explanation for it, and that explanation is completely overthrown by the arguments of those who advance it. The purpose is, we are told, to untax the people's clothing—to cheapen one of the prime necessities of life. Now, certainly, if the price of wool is to advance the world over, as the result of its free entry into this great market, then clothing is to be no cheaper, after we have enabled foreign woolgrowers to increase their profits by the sacrifice of our own growers. That proposition is so self-evident that we are amazed at the fatuity with which the theoretical free trader constantly entangles himself in its meshes.

If the whole of the wool duty could be remitted to the consumers, in consequence of this legislation, the gain to the consumer of woollen clothing would be trifling. For the whole of that duty is not 25 per cent of the cost of the material contained in an average all-wool suit of domestic clothes, and not 10 per cent of the retail price of that suit. But the whole of the duty is never added; and if the calculations of the majority are correct, that the price of wool is to advance abroad, the difference in the cost of a suit of clothes, by reason of free wool, will become infinitesimal, and the consumer will ultimately find himself in no better position than before.

Protests in hands of the minority against free wool have come from thirty-five States and Territories, showing the languishing condition of this industry and the probable effect if the committee's recommendation shall be approved. It is regretted that these more than five hundred protests can not be embodied in these views, but a few will be sufficient to show the general character of all.

WYOMING.

DEAR SIR: We beg to address you regarding the serious outlook for the wool industry of this country, which is the chief source of income of this locality, and is, in fact, the main source of support of trade in the State of Wyoming.

1. We can not grow wool as cheaply as it can be grown in Australia, the Cape of Good Hope, or the Argentine Republic, hence can not compete with those

countries without the aid of a protective tariff law. The severe climate with which we have to contend causes such a heavy loss in sheep as to make a severe shrinkage in each year's crop of wool. In the countries mentioned above, where the climate is very mild, the woolgrower counts his loss little or nothing, while with us we must allow a loss of 20 per cent with a possibility of 50 per cent annually.

2. It costs us to lay our wool down in Boston, New York, or Philadelphia 2½ cents per pound, and this we are compelled to do in the dirt, as the alkali water, which is all we have, is unfit for scouring purposes, while the above-mentioned countries, with water transportation, can lay their wool down in the American market at less than one-half what it costs us to reach the market with our product.

3. The cost of living in this country being necessarily great because of our having to ship in all supplies, renders our expenses greater; also, herders must be with our flocks constantly, and the wages paid here exceed those paid in foreign countries mentioned above from 50 to 75 per cent.

4. One year ago wool netted us here from 12 cents to 14 cents, while this year it has netted us only from 6 cents to 8 cents, making a shrinkage of almost 50 per cent, caused by prospective free trade. Our sheep which sold one year ago for \$3 to \$4 per head, this year are selling for only \$2 to \$2.25 per head.

5. Should wool be placed on the free list we must take London prices, and compete with all foreign wools of same grade, with all the advantages of growing, as above stated, to our disadvantage.

6. The bankers and merchants of this country, believing that the tariff on wool will be removed by the present Congress, and the industry so disastrously injured, they hesitate to extend the necessary liberal credit to the woolgrower, or make the necessary large advances for running expenses, considering sheep at best very poor security. This has so frightened the sheep raisers that they are shipping their stock out by the thousands—some to raise money and others to get out of the business. There is no local demand for sheep whatever.

7. The cost of producing a pound of wool in this country is greater than what foreign countries have been selling their product for, and at such prices the business has been remunerative to them.

We, your petitioners, in thus calling your attention to the disastrous state of affairs caused by the prospect of the repeal of the McKinley tariff law, beg that you will use all honorable means to prevent its repeal, and to thus save to us the chief industry of this country, upon which a large proportion of the population are dependent for support, and thus render the people of this young commonwealth grateful for that which is justly due.

We, the business men of Rawlins, heartily approve of the attached petition, and beg that Congress will extend to the wool men the relief needed in not repealing the McKinley bill, which will save to this country its chief industry.

WALLA WALLA, WASH., *November 29, 1893.*

We, the undersigned, want to express our grievances against the policy of free wool, several of us having been engaged in the business over twenty years, and have been successful until the present year, and we think the principal cause of low prices is the menace of free wool.

We have only 100,000 sheep in this county, but in four or five counties south of us, in eastern Oregon, there are over 1,000,000 sheep. We are now just getting returns from our wool shipped to eastern markets last spring, which is only 4 to 7 cents net. Same wool sold last year at 12 to 15 cents at home. Our freights to Boston are 2 cents per pound, so we can not compete with Australia wool ocean freights at one-half cent per pound.

We pay our herders \$35 per month and board, over \$500 per year, and the woolgrowers of Oregon and Washington have from \$3,000 to \$5,000 invested in land and improvements to each band of 1,800 head, and in remote districts where we get free range the expense of getting supplies and wages of herders, hauling wool long distances, are much greater.

Last year the price of our sheep was \$2.50 to \$3, at present date the price is only \$1 to \$1.25 per head, and the sheep men are almost panic-stricken, their creditors forcing them to sell or ship to Chicago (which is unusual this season of the year), and only getting \$1 per head clear. But we are still struggling and trying to hold, hoping that Congress will let us alone, and if there is no

change next spring in prices, we will have to throw up the business, for 5 or 6 cents for wool and \$1 for sheep will not pay the expenses. We all agree that we can not raise wool on this coast for less than last year's price, 12 cents to 14 cents per pound, unless we have free-trade prices in all commodities and free-trade wages. All woolgrowers of both parties here condemn free wool, for we think it will ruin our business to bring in foreign wools, for until this year the price in Australia was only about one-half the price in the United States. We deny the assertion of some demagogues that we can not raise good wool in the United States, for we have all the variety of soil and climate and the finest breeds of sheep. We export fine rams from Vermont to Australia. We admit some foreign wool is put up in better condition, but no better fiber. We also deny that wool is raw material, for it costs too much labor to produce it, and think it unjust that the spinner should have more protection than the poor herder. The small sum of \$1 saved on a suit of clothes made from free wool appears like a small recompense for the millions that woolgrowers would lose. The Hon. W. R. Ellis, Congressman from Hepner, Oreg., we think, will indorse this report. We will try and hold our sheep a few months longer, hoping that the protecting element will save us. We appreciate your efforts, and hope the minority report of your committee will convince or influence our opponents to give justice to wool.

GEO. L. FITZHUGH.
DAVIN BROS.
ED. WEARY.
D. MCGILLINAY.
W. P. STURGES.
NAT. WEBB.
A. S. LEGROW.
LEON PHIPPS.
AB. JOHNSON.
W. C. JOHNSON.

SEYMOUR, IND., *November 21, 1893.*

DEAR SIR: Inasmuch as it is regarded that in the session of your honorable body this winter the tariff on raw wool is to come up for discussion, kindly permit me to make a few suggestions. Having resided in the United States now forty-two years, twelve of which was engaged in merchandising, ten years in farming—and woolgrowing, twenty years engaged in the business I am now in—manager of an 8-set (all-wool) woolen mill—I claim to know something.

The theory that we manufacturers must have foreign wool to mix with the domestic to get good results is in most cases fallacious. We are making various grades of woollens from the coarsest to the finest; have not used any foreign wool for five years, nor shoddy. Have been very successful, and were awarded premiums on our whole line at the late World's Fair Columbian Exposition.

We have observed that whenever the protection on wool was lessened there would be a decrease of the domestic clips, and whenever it was increased there would be an increase in the clips to such an extent as to reduce prices. Even this season's agitation in favor of free wool has had the effect of a very large per cent of the sheep being slaughtered. When, in October, 1892, I tried to buy 100 sheep and lambs to stock one of my farms, I could not buy good ewes at less than \$5 a head; I bought them this year, 1893, in October, at \$2.25.

As our production of woollens is mostly sold to western farmers, we experienced a large decrease in demand for it, on account of their lessened ability to buy our wares because of the decreased price they are getting for their wool.

We admit that we are getting wool cheaper under prospective tariff reduction, and will for a year or two probably, should the tariff be materially reduced, but as the domestic clips would be greatly lessened, we would become to a great extent dependent on foreign supplies, which are generally manipulated by a few importing houses in the East, who would, under the nature of things, take advantage of our necessity.

Wool can be grown cheaper by those semibarbarous nations who live much cheaper than our people do, do not wear woollens, have cheap lands, low taxes, and climatic conditions such as do not require them to feed their flocks, while we have to feed five to eight months in the year.

Inasmuch as the sheep are being slaughtered now at a fearful rate, to save at least part of the woolgrowing industry, it is highly important that your honorable body pass some resolution as early in your session as possible giving

the woolgrowers assurance and their industry will be but slightly if at all interfered with.

As to the necessary protection of the woolen manufacturers, having been a mechanic in Germany I know that the American laborer can not and will not labor as cheap here as in Europe, and as the manufacturer has to pay a much higher rate of taxes, insurance, and interest here than there, he could not compete with European manufacturers even if he had free wool.

Very respectfully submitted.

LOUIS SCHENCK,
Manager of the Seymour Woolen Mills.

BEAVER CANYON, IDAHO, December 2, 1893.

DEAR SIR: * * * There is but one word which best expresses the condition of the western woolgrower to-day and that word is "paralyzed." Our credits are well-nigh destroyed, and it is impossible to market our two products, wool and mutton, inasmuch as no one is prepared to-day to take hold of either product and pay a fair price for it, under the plea that they must, to be safe, discount the utmost effect of the new tariff. Our mutton, prior to the election in November, 1892, was selling at a higher figure than for years and made our business profitable and remunerative. In contrast, to-day, I can state as a fact that some railroads have refused to accept sheep for transportation unless the freight was prepaid, and why? Because they feared that the sheep would not sell for enough in our great markets to cover freight charges, something unheard of before, and it was brought about in this manner:

The sheepman, as in any other legitimate business, has found it not only profitable but necessary to use his credit. In 1891 and in 1892, prior to Democratic menaces to the tariff, wool and mutton were selling at prices which insured a good profit to the grower. Encouraged by this and by the fact that their credit ranked *Al*, they branched out and extended their business, contracting obligations in 1891 and in 1892 that would fall due in 1893. They had estimated that their wool and mutton crop of 1893 would be ample and sufficient to pay off every debt due that year. What are the facts? The new clip of wool last spring, under conditions produced by Grover Cleveland's reiteration in his inaugural address of the Democratic policy of tariff reform, fell from an average value of 14 to 16 cents last year to an average value of 7 to 8 cents. (Both prices are for wool in the grease and apply to the wools delivered at the railroads in the Western States and Territories.) This enormous shrinkage in values proved ruinous to our calculations, and we hoped to retrieve somewhat on our mutton, for mutton was scarce and selling high. But it seems we were all of the same mind, and commenced all to unload on the market at the same time, consequently, very early in the summer, we knocked the bottom out of the mutton market.

The normal consumption of mutton in the Chicago market is about 65,000 head per week. This year, all summer long and all the fall, mutton, feeders, and stock sheep were going into that market at the rate of half a million head per month, at a decline in prices of at least 60 per cent for the best grades and from 75 to 80 per cent for inferior stuff. The result has been chaos. The debtor was left entirely at the mercy of his creditors, and to pay his debts must needs sacrifice not only his wool and mutton, but his stock in trade—i. e., his flock or flocks of sheep. Matters reached such a climax at one time that entire herds belonging to men heretofore wealthy and perfectly solvent were sold at figures that do not seem credible, and, I might add, entirely credible to the Democratic policy of free trade. * * * So much for what the mere threat of free wool has done for the West.

I shall now state briefly the actual conditions attendant on woolgrowing in the West; what it costs to raise wool, and why we can not meet foreign competition. The wages paid our herders in the Western States—I refer to the Rocky Mountain region—range from \$30 per month in Oregon, Washington, Utah, New Mexico, and parts of Colorado and Nevada to \$40 per month in Idaho, Wyoming, and Montana. A fair average would be \$35 per month. All my figures here apply to a flock of 2,000 sheep, inasmuch as that is the number usually carried in one hand. It requires a camp tender to take care of the herder, to supply him with provisions, move his flock from place to place as the grazing becomes too short. One such man can look after two bands of sheep. He must have a team and a wagon, or pack horses, and he, with his

horses, will cost \$50 per month, or \$26 per month for each band. This man and the herder and the herder's dogs must also be fed. The expense for the men would be about \$15 per month for each band.

Herder, 12 months, at \$35.....	\$420
Camp tender or foreman, at \$25.....	300
Keep for herder and foreman, at \$15.....	180
3 extra men during lambing season for 1 month, at \$50 each.....	150
Feeding hay 6 weeks in winter, 2 pounds per head per day or 2 tons of hay per band per day, at \$5 per ton.....	420
Shearing 2,000 sheep, at 10 cents per head.....	200
Dipping annually to prevent disease, at 2½ cents per head.....	50
Salt, 150 pounds per week, at ⅓ cent per pound, 52 weeks.....	58
Taxes—assessed value from \$2 to \$2.50 per head, rate of taxation \$3 to \$3.50 per \$100 valuation, or, taking averages, \$4,500, at \$3.25.....	146
Incidentals—tents, utensils, dog feed, burlap to cover wool.....	200
Annual loss of sheep from wild animals, natural causes, etc., 5 per cent, or 100 head, less value of pelts.....	200
	<hr/> 2,320

These expenses vary somewhat in different States, but the outcome is not affected thereby. As, for instance, in Montana, the herders are paid higher wages and winter expenses are much higher, but to offset this Montana wools sell for from 1 to 2 cents more per pound. In Utah, Arizona, New Mexico, and in parts of Colorado and Nevada the herders get considerably lower wages, but the prices obtained for wool in those sections are lower.

A fair estimate of the average fleece of wool from our western sheep is 6 pounds, which, prior to the year 1893, has sold for an average price of 15 cents per pound. In other words, our flock of 2,000 sheep will shear 12,000 pounds of wool, worth \$1,800 at the above price. Twelve thousand pounds of wool produced at a cost of \$2,324 means that it cost the western woolgrower 19½ cents per pound, or in round figures 20 cents. There is an impression extant that wool will cover running expenses. This is wrong, entirely wrong, and I have no hesitation in saying that no man in the Rocky Mountain region can produce enough wool to pay running expenses and do business on a conservative and safe plan. He may take chances on the rigors of the winters and thus avoid the expense of hay, but this I do not consider legitimate business, as too much risk is taken.

Wool never has, year in and year out, paid the expenses or produced a profit. Our profit has come from our increase. On our 2,000 ewes our increase would be on the average 75 per cent, or 1,500 lambs. These have been worth, prior to March 4, 1893, when President Cleveland delivered his tariff reform inaugural, an average of \$1.50 per head.

1,500 lambs, at \$1.50 per head.....	\$2,250
Balance of running expenses not paid by wool.....	500

Which leaves us a net profit of..... 1,750

In order to estimate our percentage of profit we will assume that \$10,000 should be the average capital invested to each flock of 2,000 ewes, divided as follows:

2,000 ewes, at \$3 per head.....	\$6,000
Capital borrowed or on deposit required for year's running expenses...	2,500
Money invested in home station, or ranch, shearing corrals, etc.....	1,500
Total capital invested.....	<hr/> 10,000

One thousand seven hundred and fifty dollars profit on a capital of \$10,000 means a profit of 17½ per cent. These figures have been calculated as applying to only the most favorable conditions, as mild, average winters, freedom from scab and other diseases natural to the sheep. Should unusually severe ravages of wild animals among our flocks occur, should we have to buy and feed an unusual quantity of hay during the winter, or should the price of wool go below 15 cents, or our lambs lower than \$1.50 per head, our percentage of profit immediately shrinks and may result in an actual loss. This year, for instance, our loss has exceeded 40 per cent.

These figures that I have detailed above are the result of ten years' experience, and, taking one year with another during that time, I can vouch for their

correctness. The contrast between our personal business this year as compared with last is very striking. The Botany Worsted Mills, of Passaic, N. J., bought our wool in 1892, paying therefor prices that meant 16 cents per pound at our shipping point on the Utah and Northern Railroad in Idaho. This year Mr. Fred Kuhn, buyer for these same mills, offered 8 cents per pound for the same wools, and declared them superior to last year's clip, and stated that his only reason for so bearing down the price this year was a fear of the removal of the wool tariff. Last year we sold to Swift & Co., of Chicago, 4,000 head of choice wether lambs, delivered at the railroad in Idaho, at \$2.17½ per head: a very good figure, as the stock was choice. This year we were offered \$1.25 for the same stuff.

Last year we were offered \$3.25 per head for prime, large yearling wethers; this year we were offered \$1.50 for better stock.

Last year we sold and bought mixed bands of ewes and lambs at \$2.50 to \$2.75 per head. Now they are worth \$1.25 to \$1.50 per head. Such a reversal of conditions has been disastrous.

There may now occur a reflection to us in this wise: "Are not the present prices below the bottom? Are they not the result of a panic, and will not the usual reaction occur?" In answer to this I say: Should Congress remove the duty and place our business on a free-trade basis we should immediately awaken to the fact that territory wools are still 25 per cent above their values as compared with Australian and Argentina wools. In recent auction sales in London, our equivalent in territory wools sold at 26 and 28 cents per scoured pound; the same wools are selling on a stagnant, demoralized market in Philadelphia at 34 to 38 cents per scoured pound. To-day Australia ships us only her best and lightest shrinking wools, skirted and nicely prepared for American markets. She can not afford to pay 11 cents per pound duty on dirt and inferior stuff, but once let her ship in her cheap, inferior wools, that are now consumed in England, and we would begin to see what competition really means.

To ask us why we can not compete with Australia is to beg the question. Owing to entirely different methods of doing business our expenses per pound in raising wool are three or four times as great as in Australia. Except in parts of Texas, perhaps, and in parts of New Mexico and Arizona, it would be impossible to pursue the paddock or pasture system in vogue in Australia—an arrangement whereby one man can take care of as many sheep as require ten to fifteen men in the Rocky Mountain region. In the first place our Government would refuse to lease enormous tracts of land at a nominal rent, and granted that we had the land, climatic conditions would make the system impracticable; in fact, it is entirely out of the question, which is patent to anyone acquainted with the facts.

The question is not, "Can we compete with Australia"—any man of business capacity and judgment, whether Democrat or Republican, can answer at once, "We can not"—but the question is "Does the 11 cents per pound duty now on raw wool rest as a burden on the Commonwealth at large, or not?" Eleven cents per pound duty off wool means from 75 cents to \$1 off the price of the average suit of clothes, which benefits no one, but which, if enacted, will utterly, irretrievably, and completely ruin the Western wool man.

Below, side by side, can be seen a table plainly contrasting the differences which would place us completely at the mercy of Australia, should we get free wool.

Cost of shearing sheep in Idaho.....	per head.....	\$0.10
Cost of shearing sheep in Australia.....	do.....	.03
Freight charges from Idaho to Boston.....	per cwt.....	2.33
Freight charges from Melbourne to Boston.....	do.....	.85
Cost to Idaho woolgrowers of a pound of wool laid down in Boston.....		.22
Cost to Australian grower of a pound of wool laid down in Boston 6 to 8 cents, average.....		.07

The Australian has the advantage of a mild, equable climate the year round, a soil peculiarly adapted to woolgrowing, the finest natural pastures in the world, and a government that fences their pastures, digs their wells, destroys their "varmint," leases them the land at from 2 cents to 4 cents per acre, and that believes, in a word, in fostering and caring for their industry. That we can not compete with such conditions is plain. If the idea is to save 50 to 75 cents per capita yearly to our workmen on woollen goods, well and good; the public will be benefited to that extent, I grant, but it means annihilation to the sheep industry in America.

I remain, very truly, yours,

FRANK J. HEGART.

SALEM, OHIO, November 29, 1893.

DEAR SIR: For over thirty years I have been continuously engaged in breeding sheep and growing wool, and not in that extended period of time have I observed sheep so dull sale, or wool so low in price as at the present time, which fact can not be accounted for except, chiefly, through the threatened legislation affecting that industry by the present dominant political party.

On account of this threatened and pledged legislation, manufacturers have bought what domestic wool has been sold of the 1893 clip, at an average price of from 8 to 10 cents per pound less than in 1892. Ohio wool brought in 1892 from 25 to 30 cents per pound. This year the same wool brought from 16 to 22 cents per pound. This price is for brook-washed wool of medium quality, and with free wool there will be a further decline in price. The prices here quoted for Ohio wool would be approximately true for the periods given throughout the United States for like quality and conditioned wool. In the Rocky Mountain regions, and in fact all that region situated west of the Mississippi, where the ranch system is extensively practiced, the decline in values of wool has been about the same as that in the Central and Eastern States per pound; and notwithstanding the fact that free-trade theorists have stated that the woolgrowing industry would thrive and prosper in this section of country under free trade, yet it is a fact that never in the history of this country have there been so many sheep put upon the Chicago and other Western markets and sold at bankrupt prices as there have been for the past four months from the above-named section of the United States. Why this wiping out, or at least partially extinguishing the woolgrowing industry in this favored part of the United States, when the so-called reform theorists have said that it would prosper under free trade, unless it be on account of the free-trade policy of the present administration?

It is a fact all over the United States that sheep are being sacrificed, and that in many cases farmers are unable to dispose of their sheep at any price, owing to the present depressed condition of the wool industry. Western ranchmen are taking no part in increasing their flocks by breeding them. Men who are engaged in breeding stud flocks in the Middle and Eastern States have had no market whatever this season for stock rams. This condition can only be accounted for by the fact that farmers can not afford to grow sheep and wool in free competition with other countries more favorably situated, which condition they now believe they have reason to think they are soon to be confronted with.

The existing condition prevailing in the interests of Australia, the Argentine Republic, and the Cape of Good Hope makes it utterly impossible for the United States to compete with them in the growing of wool. Firstly, because the climatic conditions are entirely different in this country from what they are there. Stock in this country requires buildings to shelter and a prepared feed to subsist upon for from three to six months of the year. All of this represents capital and labor, and this adds to the cost of production, while in the provinces mentioned above they have perennial grasses which furnish pasture and grazing the year round. Secondly, in the foreign countries named the flock masters pay less rental for the use of land upon which their flocks subsist than is paid in this country by flock owners in taxes alone.

For at least one-fourth of a century, under free trade, the foreign countries above referred to have grown wool, and in recent years have greatly increased their flocks, shipped the wool half way round the world, and sold it in London at one-half the price obtained in the United States, under a protective tariff, for substantially the same grade and quality of wool, and if the American duty was removed there is no reason why wool would not be sold in the United States at London prices substantially.

The world's product of wool is now fully equal to the demands, and this fact fully accounts for the decline in the values of wool in the London or world's market to the amount of 23 per cent since the tariff act of 1890, while in the United States only 6 per cent of a decline had occurred until the advent of the free trade or Democratic party to power.

The wool schedules of the tariff law of 1890 were arranged to offset the advantages which foreign woolgrowers have over the American woolgrower, and any less duty than we now have will destroy the wool industry in the United States, and in fact the cheaper grades of wool should have the duty increased to at least 5 cents per pound.

The people of the United States now consume annually 600,000,000 pounds of wool on the unwashed basis. Less than half of this amount is produced in this

country and the residue is imported, in the form of wool and woollen goods, from other countries.

We now have in the United States about 45,000,000 of sheep, or had at the last census. This number should be increased to 100,000,000, thus making a demand for 12,000,000 acres of additional pasture land, a market for 2,000,000 tons of hay, 20,000,000 bushels of corn, and the same number of bushels of oats, and by this increased demand would increase the price of all these products and open the way for increased crops, and thus increase the value of lands in all the States, and by all these agencies make an adequate market and fairly remunerative prices for all farm products, including wool, provided the farmers can have such legislation as will substantially give them the control of their own markets.

It is stated that the object of placing wool on the free list is to cheapen clothing for the masses. The scoured wool in an average suit of clothes under free trade would not cost over 75 cents, while the cost under protection would not be more than \$1.50, the difference being 75 cents, all of the balance of the cost being labor. Would the gain of 75 cents on each suit of clothes be a sufficient offset for the loss of the duty imposed on foreign wool, which would cripple or destroy an industry in the United States which ranks seventh in importance in the agricultural production of this country, and is directly or indirectly engaged in by at least 5,000,000 American citizens, all of whom would be compelled to engage in the production of cereal products, which are already in overproduction, and thus tend to further cripple the agricultural industry of this country? To carry out the policy of placing wool on the free list will most unquestionably destroy the American wool industry, and thereby injuriously affect all others, especially depressing the prices of farm products and impairing the value of farms.

Trusting that Congress may see the wisdom of retaining the present duties on wool and woollens, I am, most respectfully,

Yours, very truly,

JOHN POW.

SAPELLO, N. MEX., November 29, 1893.

SIR: I desire through you to enter my protest as a woolgrower against the putting of wool upon the free list, as is proposed by the Wilson bill.

I have been engaged in sheep raising in New Mexico for twenty-five years, and have followed it closely, and in that time I have succeeded in working my herd up to about 15,000 head. My sheep I regarded twelve months ago as worth \$2 per head, and I could have sold them at that price, but I could not to-day realize \$1 per head for them. My annual clip of wool now aggregates about 60,000 pounds. I sold my wool a year ago for 17½ cents, but I have not yet sold my clip for this year, as I have been hoping that the price would improve. The best offer I have been able to get so far is 8½ cents per pound. Thus you can see what prospective free trade is doing for me, and if the above may be taken as indicating the value of sheep and wool under free trade, you can readily see that it would utterly ruin the business in this country. My case may be taken, and can safely be taken, as representing the business in this section.

As an example, I will state that there was a band of 1,500 head of mutton wethers sold here a few weeks ago for \$2 per head, and the party who sold them had competition on them, too, but this was the very best price he could get for them. Wethers from the same herd sold a year ago for \$3.50 per head. Spring lambs sold twelve months ago at from \$1.25 to \$1.50 per head, but they will not bring more than 75 cents per head now, and in fact, they are being sold at this price. At the old prices sheepmen were unable to accumulate any money, or even to grow their herds up to any considerable number. We frequently have an unfavorable winter which carries off a great number of our sheep, and so impoverishes the ewes that our spring lambing is nothing, and to say that the woolgrowing industry of the Rocky Mountain region would thrive under free trade is wrong, and I believe that if wool goes on the free list the best thing for sheepmen to do will be to get rid of their sheep at the earliest opportunity. I am not overdrawing the facts in the case, and the figures I give above are as nearly correct as it is possible to give them, and the prices named above for sheep and wool are absolutely correct. Another thing that will affect us very seriously in this country (New Mexico) is the fact that our native population know but little else than sheep raising. They are not merchants, as a rule, nor

are they agriculturists. Their occupation for years has been in the line of sheep raising, and to destroy this industry would make it hard indeed for them.

Our present rate on wool from here to Philadelphia is \$2.15 per 100 pounds, and I find upon inquiry that the rate from London to Philadelphia is only 25 cents per 100 pounds, and in this respect we are also heavily handicapped.

I have always been a Democrat, and have been a worker for the party, but if they persist in their endeavors to destroy my best interests and those of the country in which I reside I shall certainly take as active a part in opposing them as I have heretofore taken in helping them.

I sincerely trust, however, that Congress may be wise enough to vote down this measure.

I beg to remain, sir, most respectfully, yours,

HENRY GÖKE.

WOOLENS.

The bill deals with the wool manufacture in terms scarcely less radical than those accorded the woolgrowing industry, upon which it so largely depends. It proposes to revolutionize the manufacture of woolen goods by transferring it from the basis of dutiable materials to free wool, a change more radical than any textile industry in any country was ever forced to make, without the most careful provision for a safe and gradual readjustment. Ignoring this feature of the situation, the majority would compel our wool manufacturers to make this leap in the dark, divested of the safeguard of specific duties and subjected to lower ad valorem than will offset the difference in cost of production. We have secured in the United States a magnificent wool-manufacturing industry, in which over \$300,000,000 is invested, making every variety of woolen goods and employing more than a quarter of a million operatives. This industry the majority offers up as a sacrifice on the altar of "tariff reform."

The majority proclaims that it has conferred a great blessing upon the wool manufacturers by giving them "free raw material." We find this gift is one which the manufacturers have not asked, and which they distinctly repudiate as an advantage to themselves. If we could assume, for the moment, some theoretical benefit to be derived from free wool, it is not the manufacturer who can reap that assumed advantage. If he can make his goods any cheaper because of free wool, he must sell them just as much cheaper, and from that point of view he gains nothing, as his position remains unchanged. We have already shown that the gain in cheapness from putting wool on the free list is ultimately to be very slight, if anything; that it can reduce the cost of clothing but a small fraction of its present cost, the most of that cost being made up of the labor of manufacturing and transportation.

While little or nothing is to be gained, therefore, by the consumer as a result of free wool, the manufacturer is to suffer direct disadvantages, which this bill is framed to aggravate. He is given free wool, with the certain knowledge that his distance from the world's wool markets, the freights and commissions he must pay, etc., leave him still at a disadvantage, in comparison with foreign manufacturers, equivalent to fully 12 per cent of the present market price of wool.

He is compelled, in return for it, to surrender every vestige of specific duty upon imported woollens, the form of duty upon which he has chiefly depended for the last thirty years, to save him from the consequences of unfair and unequal competition.

The argument against purely *ad valorem* duties is stronger in the case of woolen goods than in any other line of merchandise. Values in woolen goods are uncertain and fluctuating. They depend upon the values of raw materials, which constantly and widely fluctuate in price. They rest upon the values of goods which are constantly changing in style, in pattern, in method of manufacture, which are affected by every passing whim of fashion, which are to-day in demand and to-morrow unsalable at any price, which are beyond the power of local appraisers, however honest, to determine and keep track of. Hence it is that the professional undervaluer has selected this particular field as one in which he can operate at the greatest advantage to himself and with the least probability of detection and punishment. It is in evidence before the Ways and Means Committee that there are lines of woolen goods, manufactured almost wholly for the American market and sent here upon consignment, upon which no market value is placed until they have passed our custom-house and evaded some share of their legitimate duty.

The specific duty has permitted the American manufacturer to continue competition; for that, at least, could not be evaded. Under the proposed law he will be driven from the field altogether in the lines referred to, for he will never know what prices he will be called upon to compete against. Where specific duties exist, the home producer always has a definite standard by which he can operate with some degree of certainty. With a law such as is now proposed, his struggle will be against an antagonist in ambush, who has only to change his fictitious invoices to underbid every effort of the American to hold this market.

The enormous field for undervaluation that will be opened by the abolition of all specific duties on woolen goods is evident from the fact that the importations under this head equal \$36,987,904 in 1893, and ran up in 1890 to \$54,165,422, the average for the last five years being larger in amount than under any other tariff schedule. These importations are made up of an immense variety of articles, the constituents and character of which are constantly changing. The foreign woollens now imported are, to a very large extent, in the nature of luxuries, purchased by the wealthy, and justly made to return large revenues to the Government. As the majority propose to reconstruct this schedule, all these articles of luxury are brought down to a low-duty level; and either the revenues from this source will largely decline, or the importations will greatly increase. As a matter of fact, since the average reduction proposed exceeds 60 per cent, the total importations may double in value, without equaling the present amount of revenue. That the importations will vastly increase, upon any recovery of general business prosperity in this country, is self-evident, and the majority of the committee has admirably arranged this schedule to secure that result.

Foreign manufacturers who have been able to invade this market in the face of specific duties will, in their absence, possess themselves of it, to whatever extent they may see fit, under such a schedule as the majority has formed. Every additional yard of goods thus brought into our market will displace a yard of American-made goods. It is impossible to estimate the extent to which this displacement will reach. It is certain that the consumption of goods will not materially

increase, and certain that the American production must be curtailed practically in the proportion of the increased imports. We now make in this country all but about 10 per cent of the woolen goods we consume. We will be fortunate if, after ten years of legislation like that proposed in the committee bill, we are able to continue to make one-half of our consumption.

To complete the demoralization of the American wool manufacture, the majority proposes, after removing the specific duties altogether and reducing the ad valorem duty, to allow the industry an interval of but one month in which to adjust itself to the entirely novel conditions it is proposed to throw around it. The majority has no adequate conception of the far-reaching nature of its own proposals. This industry has been conducted for thirty years on the basis of a wool duty which has practically confined its operations, except in isolated instances like the carpet manufacture, to the domestic wool supply. Concerning other clothing wools than our own, the rank and file of the American manufacturers have no knowledge whatever. They have had no opportunity to study their special qualities and uses, and their machinery is not adapted to their use. To compete successfully with the foreign manufacturers, they must begin the use of these wools at once. The domestic wools, while better as a rule than those of other countries, differ, nevertheless, materially from them, and must give way in the domestic manufacture, to a very large degree, to those grades of foreign wools which are adapted by means of blending with better varieties to similar purposes, at prices so low that the domestic wools can no longer compete with them. It will thus be seen that free wool means a revolution in the American manufacture, a reversal of all previous conditions, a relearning of the whole business, a change as radical as it is possible to conceive.

Contemplated legislation, which imperils over \$300,000,000 of capital invested in a particular industry, and involves the fortunes or the occupations of hundreds of thousands of its citizens, demands special provisions to render such a transition as safe, gradual, and easy as possible. This bill proposes to compel our wool manufacturers to accomplish the transformation in one month—that being the brief interval allowed, after wool becomes free, before the duties compensatory for the wool duties are removed from woolen goods. These manufacturers are expected to accomplish in one month what their foreign competitors have been generations in learning. Many of our best manufacturers will not attempt the feat thus forced upon them. Realizing the animus that underlies such legislation, so suggestive of the middle ages, they will close their mills, pocket their losses, and retire. They may truly say that the property they invested, which gave employment to thousands of our people at generous wages, which built up prosperous towns on every water power in the Eastern and Middle States, which added to the nation's wealth by increasing the earning and the consuming capacity of its people, has been wantonly confiscated by act of the Fifty-third Congress.

To make this clear, it may be stated that in the manufacture of woolen goods there are two seasons, and the goods made in each season are intended for consumption one year thereafter. Distribution from the factory through the commission house, the jobber, and the clothing manufacturer requires this length of time. Wool must, therefore,

be purchased and manufactured one whole year before the product is marketed and its final selling value determined. With full knowledge of these facts, the majority proposes to allow the wool manufacture but one month to transform itself from the condition of dutiable wool to that of free wool. That transformation involves the complete readjustment of the prices of raw materials. No man can know when he buys his wool, pending this legislation, what that wool, or the goods made from it, are to be worth when they finally reach the market. To meet such a situation, one entire season of six months is the shortest interval that can be of practical avail to adjust the manufacture to the conditions existing abroad.

The time allowed by this bill is of no more service than no interval at all. The manufacturer must lose an entire season, for if he manufactures goods his loss will be greater than though he kept his mills closed. The terms of the bill are equivalent to an edict from the committee commanding every woolen manufacturer to shut down and keep shut down until the bill becomes a law, and turning thousands of operatives into the streets. The bill has been carefully devised, apparently, for the purpose of crippling the domestic manufacturer in advance of a new tariff so that he will be left bruised and broken when the time arrives for him to begin competition for this market under duties from 60 to 75 per cent less than at present. The punishment meted out to our woolen manufacturers for daring to invest their capital in this useful and important industry is severe and condign.

In order that there shall be no mistake about the purpose to destroy the industry, the majority further provides that the punishment shall be extended over the next five years, during which the meager protection allowed them is to further melt away at the rate of 1 per cent a year. No such provision is found in any other schedule; no other class of duties has been reduced so sharply as these; no other industry is subjected to a complete reversal of economic conditions. The purpose of the framers of this schedule is a purpose to destroy.

The rates applied to woolen goods give ample confirmation of such a purpose. The discrimination against flannels and blankets is the most conspicuous in the schedule. Dividing lines of value are introduced into this paragraph, notwithstanding the fact that the ad valorem duty, by adjusting itself to value, is supposed to operate equitably and equally upon high and low priced goods. By this method of applying different rates of ad valorem duties to articles which differ only in cost, the majority not only discredits its own system of levying a tariff, but it confesses to a rank and wholly unjustifiable discrimination against the manufacturers of the cheaper grades of these woolen goods.

The flannel or blanket costing 30 cents a pound differs from the same article costing 40 cents a pound chiefly in the value of the material used. The labor cost in the two articles will be about the same, although the percentage of labor cost to total cost will be greater in the cheaper article than in the higher-priced one. Whatever is saved in the cost of the raw material has the effect of increasing the percentage that the labor cost bears to the cost of the whole article, as is apparent upon the most casual examination. Any rational system of ad valorem not intended to be destructive would apply the higher, or at least an equal, rate of duty to the lower-priced article. The operation of the plan of the majority may readily be foreseen. If it

be admitted that the higher-priced flannels and blankets can barely be made here, in competition with foreigners, under the duty of 35 per cent, it is certain that the cheaper articles can not be made under the proposed duty of 25 per cent. As a result the whole domestic consumption of the latter will be supplied from abroad. In addition there will be the extra inducement to resort to undervaluations, which dividing lines of value in a schedule always invite.

These two branches of the wool manufacture, flannels and blankets, are those in which the home production has hitherto conspicuously and completely equaled anything abroad. The excellence of the domestic products has left nothing to be desired. The home competition has been so keen and so steady that prices have astonished foreigners familiar with the very much higher wages paid in American mills. It is evident that the majority contemplates that the manufacture, if it continues to be carried on here, must be based upon very heavy reductions in wages.

In the cloth manufacture it has been difficult to manufacture the finer grades here, even with the added safeguard of the specific duty, while paying the wages common in our mills. In fixing the cloth duty at 40 per cent the majority has practically granted the request of the foreign manufacturers, who were permitted to state their case before the Ways and Means Committee. They were represented by Mr. Henry Latzko, a fine-cloth manufacturer of Brunn, Austria, who informed the committee that a duty of 35 per cent on cloths would enable the foreign manufacturer to sell his goods to advantage in this market.

Mr. Latzko is an intelligent manufacturer, thoroughly conversant with his business and familiar with the fact that the American market is the best in the world. He is satisfied that he can command that market against a duty of 35 per cent. The majority of the committee has granted his request within 5 per cent, a difference which the customary undervaluations will more than offset. The foreign manufacturer has won his case in a committee of the Fifty-third Congress, where American manufacturers have pleaded in vain.

The difference in labor costs between this and foreign countries convinces us that Mr. Latzko is entirely right in believing that this rate of duty will enable him to control our market.

There is but one way in which such a result can be thwarted. There must be a reduction of the American labor cost. That reduction can not be less than 25 per cent from present wages, and is liable to exceed that percentage.

In order to accomplish some imaginary and infinitesimal reduction in the cost of clothing, the farmer who grows the wool and the operator who spins and weaves it are to suffer a loss which is neither imaginary nor infinitesimal, and which, so far from being confined to these two classes, will extend to every citizen with whom either class does business. The consuming capacity and the earning power of the entire country are to be curtailed and crippled to a degree far beyond any possible theoretical benefit to a single individual.

We have confined the illustration to cloths, but it is equally applicable to every variety of goods made from wool and injuriously affected by this schedule. The majority is particularly harsh in its treatment of the carpet manufacturer. This may be because this branch of the domestic wool manufacture has been conspicuously

successful in its development under existing tariff, so much so as to practically overcome foreign competition. The plan of the majority seems to have been to strike the hardest at those industries which have become most typical of American industrial enterprise. But it is difficult to frame a reason why the labor employed in carpet manufacturing should receive less consideration than that occupied in other branches of the wool manufacture.

The woollen schedule is full of errors, and is remarkable for its disproportionate readjustment of rates. There are many instances where the duty on the yarns is equal to that proposed upon the finished fabrics. The most striking disparities in rates occur between cloths and the finished garments into which they enter. A duty of 40 per cent upon his cloth presupposes, in the theory of the majority, that the American clothing manufacturer will pay 40 per cent more for his materials than the foreign manufacturer of clothing, and a duty of but 45 per cent on the clothing made from that cloth makes no adequate allowance for this cloth duty.

After the materials are purchased the additional cost of manufacture is practically all labor, and an additional duty of but 5 per cent upon this additional cost, in cutting, making, and marketing the clothing will leave the American manufacturer at the mercy of foreign competitors, who have long had a keen eye upon the valuable American market. If our wholesale clothing is made abroad, it means the transference across the water of the manufacture of all the materials that enter into it. No rate of duty upon cloths would be adequate to maintain the domestic manufacture if the tariff is so arranged as to discriminate against the final product into which those cloths enter. The rate of duty upon clothing is the key to the whole schedule. It has been fixed at a figure which nullifies any advantage that might arise from the other rates, even though these latter were adequate.

The whole schedule is fundamentally wrong, inexcusably harsh, and vicious and dangerous to a degree it is difficult to adequately characterize.

SCHEDULE L.—SILKS.

These articles have usually been grouped in the preparation of schedules for the imposition of import duties as articles of luxury and voluntary consumption; and, in the adoption of the present law, the duties on the same were regulated with reference to their yielding a large revenue, as well as to secure protection to home industries. The radical changes that are made upon the import duties on these articles in the present bill seem to indicate that the framers of the bill have no regard for the protection of home industries.

The silk industry is one of a great deal of importance to our people. There are now 524 establishments engaged in this industry, and they are scattered over eighteen States, with an invested capital of \$61,462,697. Nearly 53,000 people find employment in this industry, and there is annually paid to them for their labor nearly \$21,000,000. The continuance of silk manufacture in America can only be maintained by adhering to the reasonable rate of duty upon all articles of a like character that are imported into this country. The schedule that is adopted in the present bill is a heavy reduction upon all import duties on the articles and grades of silk manufactured here, and

if the schedule as presented in the present bill is maintained, it means that a large part of the money that is annually paid to American employees will be paid to the foreign laborers, and that this large army of nearly 53,000 people, who now find remunerative employment, will have to look to some other calling to maintain themselves.

Silk workers in America are paid at least twice as much as those in England, three times as much as in France and Germany, and nearly five times as much as in Italy. We are now manufacturing and producing in this country fully two-thirds of all the silk goods consumed here; and not only that, but the same grade and quality of goods are sold here cheaper than when we depended upon the foreign manufacturer. The American silk producers have compelled the foreign manufacturer to reduce the prices of all grades and qualities of silk that are imported into this country. While during the last eleven years they have paid into the Treasury of the United States nearly two hundred millions of dollars in the way of revenue, they have been compelled to sell to the consumer cheaper than before the home competition was established by the construction and operation of the silk establishments in the various parts of the Union.

A reduction in the duties on silk and silk goods at the present time becomes a very serious question from the fact that Japan has recently adopted all of the modern factory methods of silk producers. The Japanese laborer receives less than one-tenth of the wages that are paid to the American silk worker, and with the machinery that is used in all countries in the manufacture of this product is enabled to produce quite as much as the American workman. Unless the Democratic party desires to degrade the American laborer to the level of that of the Japanese laborer the duties should be maintained at the present rates.

VELVETS AND PLUSHES.

The development of the velvet and plush industries in America since the enactment of the present law has been remarkable. It is estimated that now the plush industry has attained to larger proportions here than in England. The quality of the article, too, is superior to the foreign article; not only that, but the American manufacturer has been enabled to, and has furnished the product to the consumer at less prices than when this market was controlled by the English manufacturer. Twenty-four-inch colored plushes, which sold in 1889 for \$1, now sell at 80 cents; 24-inch seal plushes, which sold in 1889 for \$1.60, now sell at \$1.15; 49-inch seal plushes, which sold in 1889 for \$3.75, now sell at \$2.75.

The foreign average of wages is \$4.02 per week. The average wages paid at the American mills amount to \$10.50 per week; in other words, the American laborer in these mills receives 160 per cent more for the same labor than is paid in foreign mills for the same grade of goods. There is certainly no tax to the American consumer on these articles, and a valuable and important industry is being developed and carried on in America giving employment to large numbers of people, who, otherwise, would be without work, and the money which was formerly sent abroad to purchase these articles is left here and circulated in the various channels of trade. From any and every point of view it would seem that the duties on these articles in the present law should be maintained.

SCHEDULE N.—SUNDRIES.

This is an important schedule, and covers a variety of industries great and small. It contains the much-debated item of "pearl buttons." For the first time a protective duty was put upon this article in 1890. As by magic the entire industry was transferred to this country. Thousands of our people have found new employment at American wages. If there has been a slight advance to the consumer in some instances it is only because the merchants have charged inordinate profits. The greed of some has not been satisfied with less than 150 per cent profit. Now that the industry is established, it may be able to survive on a slight reduction in the present duty. But the duty placed upon the article by the committee is totally inadequate. The wages here are three times as great as European wages. They are four or five times as great as the wages in Bohemia, our greatest competitor.

A gross of 24-line pearl buttons can be purchased in Bohemia and sold in New York for 32 cents. The same gross of buttons costs to manufacture here 98 cents. This difference of 66 cents must be made up by the duty or by a reduction of our wages. The 1 cent per line in the proposed bill will amount to 24 cents and the 15 per cent of *ad valorem* to $4\frac{8}{10}$ cents, if honestly collected; that is a total of $28\frac{8}{10}$ cents, leaving $37\frac{4}{10}$ cents to come off our American labor. As the total labor on a gross of such buttons here costs 63 cents, the result must be a reduction of more than one-half in the wages paid our own people.

The committee have cut the duty on ivory and bone buttons from 50 to 25 per cent. There were large importations at 50 per cent; there will be unrestrained imports at 25, or a large reduction in labor. The increase in duty on pearls and diamonds from 10 to 15 per cent is of doubtful propriety. Formerly the same duty was exacted and Treasury experts testified that the larger duty could not be enforced, because it offered so great an inducement for smuggling. The Government collected more money under a 10 per cent duty than under 15.

On gloves the committee have had the good sense to substitute specific for the mixed duties of the present law. This change would have been made in 1890 had a practical classification been suggested. But having made the classification correctly they have proceeded to cut down the duties below the average rates suggested by the importers, as the rates under which goods could be freely imported and the largest revenue received. They have put them far below the difference in labor cost.

This line of manufacture employs multitudes of people, as many as 15,000 in a single county in New York. They have to compete with the cheapest labor of Europe. The principal item of cost is labor, and manifestly a duty of from 30 to 35 per cent is inadequate. The committee themselves confess this, for they placed the *ad valorem* duty of 40 per cent upon gloves in the bill first presented to the full committee.

It is no wonder that the laborers engaged heretofore in this industry, regardless of their politics, are holding meetings denouncing the proposed rates. It is a matter of vital importance to them, as to the hundreds of thousands engaged in other industries, who are uniting in their protests.

Of the articles transferred from this schedule to the free list mention is made in another part of this report.

COAL.

One of the most amazing propositions of the bill is that bituminous coal shall be put upon the free list, and the million of dollars per annum (almost) that we receive from its importation by way of revenue absolutely thrown away. Coal has little value save as it gets it from labor. It is worth almost nothing in the hill; would be worth absolutely nothing were it not for the prospect of being mined. It is not a raw material, for it is not worked into any further shape, but is consumed and done for at once. Call it raw material in the hill, if you please; it then cuts no figure in a tariff bill. Except for a short period, it has always borne a duty. Under the revenue tariff of 1846 it bore a duty of 30 per cent ad valorem. No change has been made in the duty on it since 1872. The Mills bill provided the same rate as the present law—75 cents per ton. Now it is proposed to make it free. It is difficult to imagine why. It is the most universally prevalent of all the subjects of American industry. There are few States or Territories that an interference with it will not affect. We quote from the Census report of 1890:

The bituminous division includes the following fields: (1) The Triassic field, embracing the coal beds of the Triassic or new red sandstone formation in the Richmond basin in Virginia, and in the coal basins along the Deep and Dan rivers in North Carolina. (2) The Appalachian field, which extends from the State of New York on the north to the State of Alabama on the south, having a length northeast and southwest of over 900 miles and a width ranging from 30 to 180 miles. (3) The northern field, which is confined exclusively to the central part of Michigan. (4) The central field, embracing the coal areas in Indiana, Illinois, and western Kentucky. (5) The western field, including the coal areas west of the Mississippi River south of the forty-third parallel of north latitude and east of the Rocky Mountains. (6) The Rocky Mountain field, containing the coal areas in the States and Territories lying along the Rocky Mountains. (7) The Pacific coast field, embracing the coal districts of Washington, Oregon, and California.

The working of these immense coal fields gives employment directly to nearly a quarter of a million of men at American wage rates, and furnishes opportunities for labor to another army of men in addition at like wage rates. It furnishes freight for our railways and our waterways from one end of the land to the other. In 1892 we mined 113,000,000 tons. Thirty-one States contributed to the grand aggregate—New England States, Middle States, Southern States, Western States, and those on the Pacific coast. Those lying next the sea and those lying inland; those bordering on the Great Lakes and in the Mississippi Valley, all are interested in this magnificent American industry.

The interest of American capital therein, and the interest of American labor are now proposed to be stricken down by bringing us into competition with coal fields operated at lower wage rates and in the hands of foreigners. And that competition may be expected on every hand.

The products of the coal deposits of Nova Scotia, immense in extent and richness of possible output, can be marketed in New England, if our tariff duties be stricken off, at a less cost than the coals of Pennsylvania, Virginia, West Virginia, and the coal from the

remoter Southern States. This is matter of history. We quote from an authority:

For thirteen years, from 1854 to 1867, the United States imposed no duty on coal. In those years the exports from Nova Scotia to the United States grew from 139,000 tons to 465,000 tons, the highest figure in 1865, and in 1866, 404,000. Then came the duty of \$1.25 a ton, and exports dropped, till in 1871 they were but 165,000 tons. In 1872 the duty was reduced to 75 cents a ton, where it has since remained, but the reduction only temporarily raised the export figure, it dropping again from 265,000 tons in 1873 to 138,000 in 1874 and 90,000 in 1875. In the next ten years there were curious fluctuations, but the general tendency was downward, and in 1885 the exports were but 34,483 tons.

The importations of recent years show an increase, and suggest the necessity for a higher duty instead of a lower.

Learning a lesson from experience a syndicate has already been formed, including among its projectors men well known as influential in the Democratic party, to operate Canadian fields and dispose of their products in the New England market. A responsible firm of Boston brokers offers for sale the bonds and stock of this syndicate, and as a lure to induce their purchase, says in its widely published circular:

Should the United States duty of 75 cents per ton be removed, it seems evident that this company will find a large market on the New England seaboard for which its position at tide water would enable it to compete on advantageous terms.

The Canadian coal deposits along the line of the North Pacific Railroad are sufficient in area and near enough in location to supply our Northwestern States. Transportation by way of the Great Lakes gives foreign coals easy entry to the Mississippi Valley. Foreign vessels bringing coal as ballast to New Orleans and other southern ports even now compete with the coal fields of Pennsylvania and West Virginia.

There are extensive Mexican coal measures just across the Rio Grande already opened up, and coal mines extensively operated only 70 miles away, ready to furnish all the fuel Texas needs for its locomotives, steamers, factories, and houses.

So far as the Pacific coast is concerned it already feels the effects of imports of coal from Australia and British Columbia.

The development of the coal mines of Vancouver Island, in British Columbia, has been very rapid during the last few years. The production in 1891 was 1,029,097 gross tons, against 678,140 tons in 1890. The production of the Vancouver mines in 1874 was 81,000 tons, and in 1875 it was 110,000 tons. The following table gives their production since 1876, in gross tons:

Years.	Tons.	Years.	Tons.	Years.	Tons.	Years.	Tons.
1876.....	139,000	1880.....	268,000	1884.....	394,070	1888.....	489,300
1877.....	154,000	1881.....	228,000	1885.....	365,000	1889.....	579,830
1878.....	171,000	1882.....	282,000	1886.....	326,636	1890.....	678,140
1879.....	241,000	1883.....	213,000	1887.....	413,360	1891.....	1,029,097

A communication in a recent issue of the London Colliery Guardian says that "the markets for British Columbian coal are very important, viz, the markets of the North Pacific coast of America." California imported 641,011 tons of coal from Vancouver Island in

1891. The production of coal in the three Pacific coast States of Washington, Oregon, and California in the census year 1889 was 1,214,757 net tons, or 1,084,604 gross tons, nearly all of which was produced in the State of Washington, which is separated from Vancouver Island by the Strait of San Juan de Fuca.

It thus appears that on every side peculiar facilities are afforded to foreigners to seize our coal trade if the duty on coal be stricken down. And this simply by reason of the difference between foreign wage rates and our own. The difference in cost to the consumer from the removal of the duty would be slight in the first instance; the loss to American labor and American capital would be incalculable, and the loss to the whole people, in the last analysis, beyond measure. To put coal on the free list is without reason and against reason, and finds no semblance of defense save in the unjustifiable desire to exploit a theory at the expense of the American people.

In conclusion we do not find the proposed changes in the administrative part of the act such as to commend themselves to us.

THOMAS B. REED.

JULIUS C. BURROWS.

SERENO E. PAYNE.

JOHN DALZELL.

ALBERT J. HOPKINS.

JOHN H. GEAR.

DINGLEY REPORT, 1897.

[House Report No. 1, 55th Congress, 1st session.]

PROPOSED REVISION OF TARIFF—REVENUE AND PROTECTION.

MARCH 19, 1897.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. DINGLEY, from the Committee on Ways and Means, submitted the following report (to accompany H. R. 379):

The Committee on Ways and Means, to which was referred the President's message convening Congress in extraordinary session for the purpose of raising additional revenue required to meet the national expenses, and also the bill (H. R. 379) entitled "A bill to provide revenue for the support of the Government and to encourage the industries of the United States," beg leave to submit the following report:

For nearly four years the revenue has been inadequate to meet the current expenditures and pay the interest on the war debt. The deficiency during this period has been as follows:

Fiscal year ended June 30—

1894 -----	\$60, 803, 260
1895 -----	43, 805, 223
1896 -----	25, 203, 246
1897 (estimated) -----	65, 000, 000

Total deficiency ----- 203, 811, 729

A continuous deficiency of revenue for four years, amounting in the aggregate to more than \$203,000,000, or over \$50,000,000 per annum in time of peace, with the official estimate of the late Secretary of the Treasury, in his last annual report, that under existing conditions there will be a further deficiency of \$45,000,000 for the fiscal year which will begin on the first day of July next, and the further fact that the Government has been obliged to obtain means to pay this deficiency by borrowing \$203,000,000, on which the people are paying interest, clearly justifies the convocation of Congress to devise a prompt and adequate remedy.

The fact must not be lost sight of that while the Government has during this time issued and sold bonds of the face value of \$262,315,400, from which it has realized \$293,481,894 in gold, for the purpose of paying its demand notes presented for redemption, yet \$203,000,000 of these notes so redeemed have been again paid out to meet the deficiency, and thus made available for a second redemption, requiring a second and a third issue of bonds.

Thus it will be seen that in the last analysis \$203,000,000, or, including the matured Pacific Railroad bonds, nearly \$215,000,000 of the \$293,500,000 of borrowed gold have been used to supply an insufficiency of revenue. And worse still, the practical use of this reserve, or (what is the same thing) the notes paid from the reserve to meet these continuous deficiencies of revenue, has been one of the potent causes of the distrust which has existed in business circles:

Neither does the fact that on the 1st day of March there was a cash balance in the Treasury of nearly \$196,000,000, after deducting the unavailable fractional silver and minor coin, change the necessity of additional revenue at the earliest possible date, for the reason that at least \$16,000,000 of this will be required to meet the deficiency between March 1 and July 1 of the current fiscal year, leaving only \$180,000,000 in the cash balance on July 1 next, of which \$150,000,000 is gold that ought to remain in the reserve and not be used to pay current expenses. This would leave only \$30,000,000 as the Treasury working balance next July, which is as small as safety permits.

FALLING OFF OF REVENUE FROM IMPORTS.

The revenue derived from duties on imports, and also from internal-revenue taxes, for each fiscal year beginning with 1892 was as follows:

Year.	From customs.	From internal revenue.
1892.....	\$177,452,964	\$153,971,073
1893.....	203,355,016	161,027,624
1894.....	131,818,530	147,111,233
1895.....	152,158,617	143,421,672
1896.....	160,021,751	146,762,864
1897 (estimated).....	140,000,000	150,000,000

It will be observed that the customs revenue under the act of 1890 for the first full fiscal year of its operation was \$177,000,000, and for the second fiscal year (1893) was \$203,000,000 with raw sugar on the free list. In October, 1892, before it was known that radical reductions of duties were to be made, the then Secretary of the Treasury estimated that the customs revenue for the fiscal year 1894 would be \$220,000,000, on the basis of the gradually increasing receipts up to that time. But in January, 1893, he informed the Committee on Ways and Means that the anticipation of a new tariff with lower duties would inevitably postpone importations, diminish the customs revenue by anticipation, as well as injuriously affect business. Thus, notwithstanding the tariff of 1890 remained on the statute book during the fiscal year 1894, yet the fact that during that year a lower tariff was expected several months before it was finally enacted, united with the arrest of industries and consequent reduction of the consuming power of our people, caused a postponement or abandonment of importations to a large extent, and thus practically partially nullified the tariff of 1890 long before its actual repeal.

The customs revenue for the fiscal year 1895, ten months of which was under the act of 1894, was raised to \$152,000,000 by deferred importations and the restoration of the duty on sugar, and in the fiscal year 1896 to \$160,000,000, of which nearly \$30,000,000 was from sugar that had been placed on the free list by the tariff of 1890.

The customs revenue under the present tariff for the fiscal year that will close June 30 next was estimated by Secretary Carlisle in his last annual report at \$140,000,000, and would have fallen short of that amount if it had not been for importations and withdrawals from bond to avoid the anticipated revision of the tariff. And in this report Secretary Carlisle estimated the revenue from customs for the fiscal year that will begin on the 1st of July next at only \$150,000,000.

THE ADDITIONAL REVENUE REQUIRED.

It will be seen that while the revenue from internal taxes has been well maintained, the annual revenue from duties on imports has declined over \$60,000,000 since 1893, and nearly \$80,000,000 compared with what Secretary Foster estimated in October, 1892, would be the revenue in 1894 under the tariff of 1890, on the basis of the increasing receipts of the year previous and the then existing conditions—conditions which were revolutionized by the result of the national election a short time after this estimate was made, as already explained.

If the customs revenue had continued to gradually rise after the opening of 1893 as it had before, or even if it had maintained the figures of the fiscal year 1893, the revenue would have been ample to meet all expenditures and the Government would have been spared the necessity, not to say the humiliation, of practically issuing bonds to meet deficiencies of current expenditures in time of peace.

The plain duty, therefore, of Congress—a duty emphasized by the President's message laid before the House on the opening day of this extraordinary session—is to so revise the tariff as to secure an increase of revenue from duties on imports substantially equal to what has been lost, first, by the anticipated, and then by the partially realized, tariff reductions made by the act of 1894.

ADJUSTMENT OF DUTIES TO SECURE PROTECTION.

Another imperative duty resting on this Congress is to so adjust duties in such a revision of the tariff to secure needed revenue to carry on the Government as will better protect the many industries which have so seriously suffered the past three years from unequal foreign competition, and from the consequent loss of purchasing power of the masses of the people, upon which the demand for products and the prosperity of every citizen depends.

The feasibility of uniting in a tariff both revenue and protective qualities has been amply demonstrated by the results of the protective tariffs in force from 1861 to 1893, at which latter date the tariff of 1890 was practically nullified by the anticipation of a revision on a nonprotective basis. The working of the wool and woollens schedule of the tariff of 1890 on a protective basis, and of the same schedules in the tariff of 1894 on an antiprotective basis, is exceedingly instructive on this point.

The importations of clothing wool in 1893, under the tariff of 1890, was about 40,000,000 pounds, and of manufactures of wool about \$36,000,000—mainly goods worn by the well-to-do who think it the thing to wear foreign-made cloth and who are willing to pay the duties imposed upon it. From these importations of wool and woollens in 1893 the Government derived a revenue of about \$44,500,000.

The importations of clothing wool in the fiscal year 1896 exceeded 127,000,000 pounds—three times as much as in 1893—and of manufactures of wool more than twice as many pounds in 1896 as in 1893; and yet the revenue derived by the Government from this enormous increase in the imports of wool and woollens in the fiscal year 1896 was only \$23,000,000—a loss of \$21,000,000 from that realized in 1893.

In other words, by placing wool on the free list and reducing the duties on manufactures of wool the Treasury lost \$21,000,000 of rev-

enne, our farmers lost a market for the 80,000,000 pounds of wool which they raised in 1892 in excess of what they raised in 1896-97, as well as nearly 10 cents per pound in price, involving a loss to them of nearly \$30,000,000 per annum already on this one farm product, and our manufacturers and their workingmen lost a market not only for the goods which increased foreign imports had supplanted, but also a market for goods which the farmers and masses of the people were able to purchase in 1893, but which they could not buy in 1896 because of a loss of employment and purchasing power.

Beyond this it has been demonstrated that by placing wool on the free list to the injury of the farmer and manufacturer, we have not been thereby enabled to increase our exports of manufactures of wool (as it was claimed would be the case), and we have greatly increased the use of shoddy by diminishing the purchasing power of the masses and thus compelling them to seek the cheapest cloths.

RESTORATION OF THE DUTY ON WOOL.

Enlightened by this experience, in revising the tariff with a view of securing both revenue and protection to our farmers, we have restored wool to the dutiable list at the same duty as it bore in the tariff of 1890 (11 cents per pound for the great mass of clothing wool in the unwashed condition, and a revenue duty of 32 per cent on carpet wools below 13 cents and 50 per cent above), and have made the compensatory duties the equivalent of these duties, so as to place the wool manufacturer on the same basis as to materials as his foreign competitor—which is necessary in order that the farmer may have a market for his wool—and have then given the manufacturer a compound duty largely converted into specifics equivalent to the 40 and 50 per cent ad valorem duties of both the tariff of 1890 and 1894.

The wool and woollen schedule is substantially that of the tariff of 1890, except that a few kinds of wool classed under that and previous acts as carpet wools, which have been largely used for clothing purposes, and whose use for a purpose not intended by the old classification has caused much irritation among woolgrowers, have been transferred from third-class to first-class wools; and the exclusively ad valorem duties which have been previously given the manufacturer as a protection against his foreign competitor employing cheaper labor, and which enabled the latter by undervaluation of the wide variety of imported woollens whose value could not be definitely determined to avoid a large part of the duty appearing on the face of the tariff, have been converted as largely as possible into specifics equivalent to what even the present law professes to give.

We believe that the enactment of this schedule into law will not only restore to our farmers the woolgrowing industry which has been so seriously injured by free wool—our flocks having diminished more than one-fourth since 1892—but will also revive the wool-manufacturing industry, which has been so greatly crippled by the tariff of 1894, and the loss of the purchasing power of the masses of our people through lack of employment, and will at the same time largely increase the revenue from that source, which, because of the character of the fine goods imported under the tariff of 1890, was practically derived from luxuries.

INCREASE OF THE DUTY ON SUGAR.

We have increased the duty on sugar from the 40 per cent ad valorem imposed by the present tariff on raw sugars (now only nine-tenths of 1 cent per pound on raw sugars polarizing 96° on account of the decline of sugars, although about $1\frac{1}{2}$ cents when the tariff was enacted in 1894) to 1.63 cents, with a countervailing duty on all sugars equivalent to the net export bounty paid by any country, in order to increase our revenue and at the same time afford sufficient protection to enable our own farmers and planters to ultimately produce whatever sugar we may require for consumption. The production of cane sugar is a large and, under proper protection, a growing industry now.

The production of beet sugar in at least 23 States of our Union, which only seven years ago was regarded as of doubtful promise, is no longer an experiment but a demonstrated success with such protection as we recommend, which is less than those bounties given at the inception of sugar production by Germany, France, and other European countries which now produce about two-thirds of the world's sugar.

The time has come when every effort should be made to open up new crops to our farmers and thus diversify and promote our agriculture; and no crop in sight affords more hope of success or greater advantages to the whole country. Even with the present low prices of sugar we paid in the last fiscal year to foreign countries about \$73,000,000 for our raw sugar, in addition to over \$11,000,000 paid to the Sandwich Islands for sugars imported free of duty under our treaty of reciprocity with that country, and in the near future this sum will rise to \$100,000,000. To open up such a new and valuable crop to our farmers (who are finding the competition of Russian and Argentine wheat a serious drawback) is a boon which Congress should not hesitate to give, especially at a time when it can be done in the interest of revenue.

We have made the duty on refined sugar above No. 16 in color one-eighth of 1 cent per pound additional to that imposed on raw sugar of the same saccharine strength, as a protection to the refining industry in this country. While this is less than the differential given by the present law (one-eighth of 1 cent and about one-fifth of 1 cent carried in the all-around 40 per cent ad valorem duty), yet from the most careful investigation we can make we believe this reduced differential will maintain the refining industry in this country, especially in connection with the countervailing duty on export bounty countries.

Our experience under the tariff of 1883 with specific duties on sugar, and under the present tariff with ad valorem duties, has convinced us, as it has the administrators of the law and the sugar trade generally—although refiners dissent from this view—that specific duties are preferable, more easily and certainly administered, and absolutely essential to reliable revenue. When the tariff of 1894 was enacted, it was estimated that the 40 per cent duty on sugar would yield \$42,000,000 of revenue. In consequence, however, of the decline of price the revenue from sugar in the last fiscal year was only about 29½ millions, and the present fiscal year it will probably not exceed 27 millions.

We have therefore adopted the specific policy of the act of 1883, starting at 1 cent per pound with sugars polarizing 75° , but increasing only three-hundredths of 1 cent per pound, and proportionally for fractions of a degree to accord with the present prices of sugar, which would make the duty on unrefined sugar polarizing 100° , or of full saccharine strength, $1\frac{3}{4}$ cents, and when refined, 1.875 cents per pound.

RANGE OF DUTIES PROPOSED.

In revising the several dutiable schedules as a rule the duties have been fixed at points between the tariff of 1890 and the present tariff, it having been found that, on account of changed conditions, in a large part of the articles duties lower than those of 1890 would be equally protective.

The metal and cotton schedules are in large part the same as in the present tariff, the increases above those rates being in the more advanced articles. The agricultural, earthenware and glass, and the silk, liquor, and wool and woollens schedules are substantially the same as in the tariff of 1890, the duties on fruit having been increased. The manufactured lumber which was put on the free list by the tariff of 1894 has been transferred to the dutiable list as an act of justice to this large industry and in the interest of revenue, with little change in duties except on white pine, which has been restored to the duty of 1883.

The duty on wrapper tobacco has been restored to the rate of 1890, and the rate on filler tobacco increased, partly for purposes of revenue and partly to better equalize the duties on wrappers and fillers. The general policy pursued has been to raise the duties on luxuries.

While the duties on more than three-fourths of the articles on the dutiable list are lower than those provided in the act of 1890, yet converted into the delusive terms of ad valorem they will in many cases appear to be higher, notwithstanding the actual rates are less.

SPECIFIC DUTIES.

The aim has been to make the duties specific, or at least partly specific wherever practicable, not only to protect the revenue against undervaluation frauds, but also to give our own industries the protection carried on the face of the tariff; and in carrying out this policy we have had the sympathy and aid of reputable importers. This has been done for the most part in the chemical, glass, iron and steel, lumber, sugar, tobacco, agricultural, liquor, cotton, flax and jute, woolen, silk, paper, and sundries schedules—in the silk for the first time, notwithstanding ex-Secretaries Fairchild and Manning most earnestly recommended this some years ago.

TRANSFER OF ARTICLES FROM FREE LIST.

Several articles, like argols, opium, asphaltum, chicory-root, feathers and downs, paintings and statuary, Chinese floor matting, lemon juice, mineral waters, hatters' plush, straw ornaments, sago flour, etc., have been transferred from the free to the dutiable list for revenue purposes, while such articles as wool, lumber, burlaps, bags, and salt have been restored to the dutiable list, from which they should never have been removed.

Several paragraphs in the free list, originally inserted for some commendable object when the revenue was abundant, have been productive of such wholesale abuses—abuses which it has been found impossible to avoid in administration under decisions of the Board of Appraisers or the courts—that on recommendation of customs officials they have been removed entirely from the free list in order to protect the revenue against wholesale evasions.

These comprise the paragraphs admitting free of duty books that have been printed more than twenty years and books for scientific research—under which books have been printed with a special date to fit the law, and scientific books have been made to cover an indefinite range; books printed in foreign languages—of which we publish an abundance; silk bolting cloths, under which a great variety of silk goods have successfully sought free admission; the paragraph relative to books for libraries, which has proved to be wonderfully elastic; and “antiquities,” under which establishments have been set up in Europe to make furniture, drapery, and other luxuries so as to imitate old articles that could be successfully brought in free of duty. A new provision has been incorporated in reference to the free admission of wearing apparel and personal effects of tourists, which it is thought will put a stop to the serious abuses which have existed, and at the same time increase the revenue.

EXTENSION OF RECIPROCITY POLICY.

The reciprocity policy inaugurated in the tariff of 1890, which proved so great a success in the brief period of its existence, is not only restored, but enlarged. The provisions of the act of 1890, authorizing the President to impose duties on coffee, tea, skins, and hides, in case the countries exporting such articles decline to extend equivalent concessions to exports from the United States, are reenacted, sugar being transferred to the schedule of articles on which duties are imposed.

The President is further authorized to negotiate with countries exporting argols, chicle, champagne, brandy, sugar, wines, mineral waters, paintings and statuary, and silk laces with a view to secure reciprocal and equivalent concessions in favor of the products or manufactures of the United States, in which event he is empowered to suspend the duties imposed in the proposed revision, and thereafter such articles imported from any country making such reciprocal concessions shall be admitted at the lower rates of duty provided by this bill.

It is believed that this extension of the reciprocity policy of the tariff of 1890, strengthened by the tenders of lower duties as a concession in return for equivalent concessions, will result in even more advantageous commercial advantages than those that were secured under the act of 1890.

INCREASE OF REVENUE ESTIMATED.

On the assumption that the imports under the proposed tariff bill, if enacted into law, would be the same as the imports in the fiscal year ended June 30, 1896, the revenue which the several schedules of

the new bill would yield, if it should be enacted into law, compared with the revenue obtained under the present tariff in 1896, and also compared with the revenue yielded by the tariff of 1890 for the fiscal year 1893, would be substantially as follows:

Rough preliminary estimate of revenue from proposed bill.

	Duties—			
	Collected in 1893.	Collected in 1896.	Estimated.	Increase.
A. Chemicals, oils, and paints.....	\$6,399,522	\$5,513,545	\$8,196,226	\$2,682,681
B. Earthenware, glassware.....	12,118,335	7,644,422	11,901,532	4,257,110
C. Metals, and manufactures of.....	27,082,729	13,332,692	17,343,676	4,010,984
D. Wood, and manufactures of.....	1,857,803	384,713	2,143,588	1,758,375
E. Sugar.....	193,294	29,910,016	51,645,896	21,735,880
F. Tobacco, and manufactures of.....	14,831,990	14,859,117	22,257,788	7,398,671
G. Agricultural products and provisions.....	12,905,571	7,859,860	14,169,988	6,310,128
H. Spirits, wines, and other beverages.....	9,704,233	6,935,648	8,732,827	1,797,179
I. Cotton manufactures.....	11,833,605	9,311,320	11,077,119	1,765,799
J. Flax, hemp, and jute, and manufactures of.....	18,974,839	12,018,083	19,834,845	7,816,762
K. Wool, and manufactures of:				
Wool.....	8,203,323		17,538,399	17,538,399
Manufactures of wool.....	36,404,798	23,027,569	50,274,704	27,246,935
L. Silk and silk goods.....	20,310,259	12,504,006	14,357,556	1,853,550
M. Pulp, paper and books.....	2,070,124	1,242,125	1,300,531	58,406
N. Sundries.....	15,006,544	10,920,164	14,168,898	3,248,734
Unenumerated:				
Unmanufactured.....	{ 717,531	37,879	37,879	-----
	258,951	124,258	124,258	-----
Articles transferred from free list to dutiable.....			4,000,000	4,000,000
Total revenue.....	198,373,456	155,625,917	269,105,710	113,479,793

This rough estimate on the basis of the imports for 1896 shows that the revenue would, on such an assumption, be about \$113,000,000 more than under the act of 1894.

What the actual revenue would prove to be in the year following the enactment of the proposed measure into law is, of course, dependent upon contingencies which can not be forecasted with any approach to certainty, and will therefore be subject to varying estimates. Undoubtedly the contingency which would exert the largest influence in diminishing the estimated revenue would be delay in the passage of the proposed bill, in consequence of which there would be large importations of such articles as wool, woollen goods, sugar, etc., on which it is proposed to increase the duty.

It is probable that any delay beyond the 1st of May would result in a loss of from one to two millions of revenue for each week of delay. If the proposed tariff revision could be enacted into law by the 5th of April, undoubtedly the revenue for the first year under its operation would be fifteen to twenty millions larger than it would be if its passage should be delayed till the 1st of July.

If the bill should become a law by May 1, it is more than probable that it would yield an increase of revenue of nearly \$20,000,000 from sugar, \$10,000,000 from wool, \$14,000,000 from manufactures of wool (assuming that the imports of each would be one-half what they were in 1896), \$1,500,000 from lumber, \$3,000,000 from tobacco (assuming that the revolution in Cuba will continue), \$1,800,000 from silk manufactures, \$2,000,000 from metals, \$3,000,000 from glassware and earthenware, \$4,000,000 from chemicals (including argols and opium transferred from the free list), \$5,000,000 from jute and flax (includ-

ing burlaps and bags transferred from the free list), \$3,000,000 from agricultural products and fruits, \$1,500,000 from liquors, \$1,500,000 from silks, \$5,000,000 from sundries (including articles transferred from the free list), \$1,500,000 from cotton laces and other fine cotton goods and yarns; or a total of \$75,000,000.

It is easy to see how a delay in the enactment of the bill to July 1, for example, would easily take from the Treasury \$15,000,000 of revenue and turn it into the pockets of speculators importing wool, woollen goods, sugar, and other articles on which it is proposed to increase the revenue, and at the same time deprive woolgrowers and producers and manufacturers of the benefit that would arise from the prompt passage of the bill proposed.

CONCLUSION.

Your committee, therefore, report back the accompanying bill with a recommendation that it do pass.

VIEWS OF THE MINORITY.

[House Report 1, pt. 2, 55th Cong., 1st sess.]

PROPOSED REVISION OF TARIFF—REVENUE AND PROTECTION.

MARCH 22, 1897.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

MR. BAILEY, from the Committee on Ways and Means, submitted the following views of the minority (to accompany H. R. 379):

The undersigned members of the Committee on Ways and Means beg leave to submit the following as their views in reference to H. R. 379:

THE BILL TAKES FROM ONE CLASS AND GIVES TO ANOTHER CLASS.

This bill was framed with the avowed purpose of protecting the manufacturers of the United States against foreign competition, and it is perfectly obvious that if it accomplishes that purpose it must result in compelling the consumers of this country to pay more for their manufactured goods; and for this reason we think it should not pass. We rest our opposition upon the broad principle that Congress was invested with the power of taxation as a means of collecting from each citizen his fair proportion toward the support of the Government, and that it is a gross perversion of that sovereign power to employ it as a means of enabling favored classes to levy unjust charges upon the great body of the people. We believe that after contributing his proper share toward the maintenance of the Government every citizen of this Republic is entitled to the full possession and enjoyment of all he can honestly earn; and we deny the right of Congress to make or enforce any regulation which requires one man to give any part of his honest earnings toward encouraging the enterprise or increasing the fortune of another.

No man, however blind he may be, would defend a system of taxation under which the Government first collected the money and after-

wards distributed it among its favorites. It is true that the tariff act of 1890 ventured to this extent in dealing with the sugar growers, but the disapproval of that policy was so overwhelming and so bitter that the advocates of protection have been forced to abandon it, and they have not dared to incorporate any provision for a direct bounty in the present bill. We are unable, however, to perceive any difference in principle between a law which requires the Government to collect the money and distribute it among the protected industries and a law which enables these industries to collect the money directly from the people. There may be some difference in the method of making the collection and in the cost of doing so, but there is no difference whatever in the principle involved. If the Government has the right to levy taxes upon the people for the purpose of inducing men to establish unprofitable industries or industries which can only be made profitable by compelling the consumers of the United States to pay exorbitant prices for their products, then the bounty system is a more direct and less complex way of attaining that end, and at least has the advantage of directness and simplicity.

The majority of the committee seem to think that taxation can be made a blessing and that the support of the Government, instead of being a burden upon taxpayers, can be made to enrich them. If this opinion is well founded, then all the struggles for freedom which have revolved around the question of taxation have proceeded upon a false theory; and the American colonists when they determined that they would not submit to taxation without representation indulged a mistaken zeal for liberty. The patriotic resolve of our forefathers not to use goods upon which Great Britain had laid an import duty was wrong if the argument for protection is right, because according to that argument the British importers were really paying the tax over which the American colonists went to war. There can not be found in the wide range of economic literature an authority, with the few and rare exceptions which only serve to emphasize the general concurrence, who does not treat taxation, direct or indirect, as a burden; and when we remember that a protective tariff not only collects more for the Government than is needed for its economical administration, but that it also enables favored classes to collect more than the Government itself, the injustice becomes so clear and so enormous that it would be a reflection upon the intelligence of the American people to suppose that it can escape their swift and decisive condemnation.

THE BILL ENCOURAGES EXTRAVAGANCE.

It follows as a matter of course that a bill based upon a vicious principle must be injurious in its effects, and perhaps no effect could be more pernicious than the extravagance which the bill encourages. The tabulated statement embraced in the report of the committee shows that the bill is expected to raise \$113,000,000 more revenue than was collected in customs duties during the last fiscal year; and yet, as is shown by the same report, the difference between the Government receipts and disbursements during that year was only \$25,000,000. It is well known that the importations of last year were smaller than usual, owing to the general depression that existed in all circles; but even supposing that importations hereafter can be kept at a level with the importations of 1896, the bill will collect from the people

more than \$90,000,000 annually above the requirements of our present extravagant and wasteful appropriations.

It may be, however, that the majority should not be arraigned for their open encouragement of extravagance; because it can not be surprising that gentlemen who think that taxes are not a burden should feel that money derived from taxation ought to be lavishly spent. Nothing could better illustrate the vice of the protective system than the fact that there flows from it as a direct consequence the habit of treating the expenditure of public money as a benefit rather than as a burden to the people. It would be cause enough for complaint if the burden were the only result of the extravagance; but in a free government extravagance breeds tendencies of the most pernicious character. It not only teaches the people to look to the Government for the promotion of all kinds of enterprises, whether for pleasure or for profit, but it makes them impatient against public servants who believe in economy and who believe that public moneys are a trust fund to be jealously guarded.

An overflowing Treasury is a constant temptation to enter upon expenditures that corrupt both the public mind and the public's servants. Under a system of high taxes there must be a surplus or there must be waste, and both are serious evils. President Jackson hardly overstated the danger of a surplus when he declared that it was more dangerous than a standing army; and yet, dangerous as a surplus is, it is not so dangerous as the extravagance which is always resorted to in order to prevent its accumulation. It can not be forgotten that many of those who now advocate a high tariff and defend the extravagance which it engenders did not hesitate to denounce the administration of President Buchanan because in its last year the appropriations exceeded the sum of \$60,000,000. Our population at that time was nearly half what it is to-day, and if the Government were now properly and frugally administered, our expenditures, including liberal pensions for the soldiers of the late war, ought not to, and would not, exceed the sum of \$350,000,000.

The friends of the protective system know that to keep the taxes high they must find some way of spending the money which has been collected. They perfectly understand that they can not resist the demand for a reduction of taxes if they permit their excessive collections to accumulate in the Treasury, because they understand that the dullest man knows that the Government is collecting too much when it is collecting more than it is spending. It is therefore the inevitable consequence of collecting more than is proper that improper ways should be devised for spending it. The extravagance which necessitates the billion-dollar appropriations which have become such a scandal upon Congress had its origin in the unjust system of levying taxes for the purpose of enabling private interests to prey upon the public through the favoritism of the law.

THE BILL FOSTERS TRUSTS.

If the system of unnecessary taxation is indefensible because of the extravagance which it encourages, it is still more so on account of the trusts which it fosters and promotes. It is not more certain that protection encourages extravagance than it is that it breeds unlawful combinations of capital. Indeed, protection is justified upon the

avowed theory that competition should be restricted. True enough it assumes the patriotic pretense that foreign competition ought not to be permitted against our home industries; but they little understand the selfishness of human nature, and especially they little understand the selfishness of that human nature which relies upon the favoritism of the law to increase its fortune, who suppose that these men, having secured themselves against foreign competition by the favor of Congress, will fail to secure themselves against domestic competition by voluntary combinations among themselves.

It is an old adage, and it is as true as it is old, that "competition is the life of trade," and whatever tends to restrict competition must tend to restrict trade. The majority of the committee seem to think it an easy matter for us to build a tariff wall about our borders and thus prevent the foreigners from trading with us, but they forget that the same wall which shuts the foreigner out shuts us in, and that regulations to prevent the foreigner from trading with us must at the same time prevent us from trading with the foreigner.

We believe in the principles of competition, and we believe that the people of the United States can successfully compete against all other people of the world; and we denounce as a crime against the best interests of our people any law which leaves the consumers of this land subject to the exactions of reckless and corrupt combinations formed to destroy competition and control prices.

LABOR.

The report of the Committee on Ways and Means is singularly silent upon the old pretext that these high taxes are imposed for the benefit of American labor; and the silence may be taken as conceding the Democratic contention that the intelligence and skill of the American factory operative are all the protection which he needs or desires. The labor argument of the protectionist can be reduced to an absurdity which makes it amazing that it should ever have been seriously advanced. To say in one breath that the welfare of labor depends upon its wages and that its wages in turn depends upon its skill and intelligence, and in the next breath to say that the very intelligent and highly skilled laborers of this country can not successfully compete with the ignorant and unskilled laborers of the Old World, is equivalent to saying that skill and intelligence are not of great advantage to the laborers who possess them. To our minds, it involves a contradiction in history, as well as in economic theory, to hold that the factory labor of a civilized country needs protection against the factory labor of an uncivilized country. The fact that the unskilled laborers of a half-civilized country live more cheaply than the skilled laborers of a highly civilized country is more than counterbalanced by the greater productiveness of the skilled and intelligent laborer. If this view of the question needed further support than the mere statement of it, it can be found in those excellent works which assert that the skill and intelligence of the American laborer are such that he is able to produce seven times as much as the less skillful and less intelligent laborer of continental Europe and fifteen times as much as the ignorant and unskilled laborers of Asia. Surely it will be admitted that a productive capacity seven times as great as the one and fifteen times as great as the other should be all that the American

laborer needs to protect himself against the competition of European drudges and Asiatic serfs.

CONCLUSION.

We are unable to offer a substitute for the pending bill, because we have not been allowed a reasonable time to prepare one. Congress convened in extraordinary session on Monday the 15th day of March, and this bill was introduced the same day and referred to the Committee on Ways and Means, which met the next morning, and on Thursday it was ordered to be reported to the House. The majority of the committee had spent the three months of the last session of the last Congress in the preparation of their bill, and yet they refused to allow the minority three weeks in which to prepare a substitute. We are unwilling to propose a measure that has not been carefully matured, and we must therefore content ourselves with protesting against the passage of the committee's bill.

J. W. BAILEY.
BENTON McMILLIN.
JOSEPH WHEELER.
JNO. L. MCLAURIN.
S. M. ROBERTSON.
CLAUDE A. SWANSON.

THE TARIFF
ON
IMPORTS INTO THE UNITED STATES
AND THE
FREE LIST,
AS
CONTAINED IN ACT OF JULY 24, 1897.

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[PUBLIC—No. 11.]

An Act To provide revenue for the Government and to encourage the industries of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on and after the passage of this Act, unless otherwise specially provided for in this Act, there shall be levied, collected, and paid upon all articles imported from foreign countries, and mentioned in the schedules herein contained, the rates of duty which are, by the schedules and paragraphs, respectively prescribed, namely:

SCHEDULE A.—CHEMICALS, OILS, AND PAINTS.

1. ACIDS: Acetic or pyroligneous acid, not exceeding the specific gravity of one and forty-seven one-thousandths, three-fourths of one cent per pound; exceeding the specific gravity of one and forty-seven one-thousandths, two cents per pound; boracic acid, five cents per pound; chromic acid and lactic acid, three cents per pound; citric acid, seven cents per pound; salicylic acid, ten cents per pound; sulphuric acid or oil of vitriol not specially provided for in this Act, one-fourth of one cent per pound; tannic acid or tannin, fifty cents per pound; gallic acid, ten cents per pound; tartaric acid, seven cents per pound; all other acids not specially provided for in this Act, twenty-five per centum ad valorem.

2. All alcoholic perfumery, including cologne water and other toilet waters and toilet preparations of all kinds, containing alcohol or in the preparation of which alcohol is used, and alcoholic compounds not specially provided for in this Act, sixty cents per pound and forty-five per centum ad valorem.

3. Alkalies, alkaloids, distilled oils, essential oils, expressed oils, rendered oils, and all combinations of the foregoing, and all chemical compounds and salts not specially provided for in this Act, twenty-five per centum ad valorem.

4. Alumina, hydrate of, or refined bauxite, six-tenths of one cent per pound; alum, alum cake, patent alum, sulphate of alumina, and aluminous cake, and alum in crystals or ground, one-half of one cent per pound.

5. Ammonia, carbonate of, one and one-half cents per pound; muriate of, or sal ammoniac, three-fourths of one cent per pound; sulphate of, three-tenths of one cent per pound.

6. Argols or crude tartar or wine lees crude, containing not more than forty per centum of bitartrate of potash, one cent per pound; containing more than forty per centum of bitartrate of potash, one and one-half cents per pound; tartars and lees crystals, or partly refined argols, containing not more than ninety per centum of bitartrate of potash, and tartrate of soda or potassa, or Rochelle salts, four cents per pound; containing more than ninety per centum of bitartrate of potash, five cents per pound; cream of tartar and patent tartar, six cents per pound.

7. Blacking of all kinds, twenty-five per centum ad valorem.

8. Bleaching powder, or chloride of lime, one-fifth of one cent per pound.

9. Blue vitriol or sulphate of copper, one-half of one cent per pound.

10. Bone char, suitable for use in decolorizing sugars, twenty per centum ad valorem.

11. Borax, five cents per pound; borates of lime or soda, or other borate material not otherwise provided for, containing more than thirty-six per centum of anhydrous boracic acid, four cents per pound; borates of lime or soda, or other borate material not otherwise provided for, containing not more than thirty-six per centum of anhydrous boracic acid, three cents per pound.

12. Camphor, refined, six cents per pound.

13. Chalk (not medicinal nor prepared for toilet purposes) when ground, precipitated naturally or artificially, or otherwise prepared, whether in the form of cubes, blocks, sticks or disks, or otherwise, including tailors', billiard, red, or French chalk, one cent per pound. Manufactures of chalk not specially provided for in this Act, twenty-five per centum ad valorem.

14. Chloroform, twenty cents per pound.

15. Coal-tar dyes or colors, not specially provided for in this Act, thirty per centum ad valorem; all other products or preparations of coal tar, not colors or dyes and not medicinal, not specially provided for in this Act, twenty per centum ad valorem.

16. Cobalt, oxide of, twenty-five cents per pound.

17. Collodion and all compounds of pyroxylin, whether known as celluloid or by any other name, fifty cents per pound; rolled or in sheets, unpolished, and not made up into articles, sixty cents per pound; if in finished or partly finished articles, and articles of which collodion or any compound of pyroxylin is the component material of chief value, sixty-five cents per pound and twenty-five per centum ad valorem.

18. Coloring for brandy, wine, beer, or other liquors, fifty per centum ad valorem.

19. Copperas or sulphate of iron, one-fourth of one cent per pound.

20. Drugs, such as barks, beans, berries, balsams, buds, bulbs, bulbous roots, excrescences, fruits, flowers, dried fibers, dried insects, grains, gums and gum resin, herbs, leaves, lichens, mosses, nuts, nutgalls, roots, stems, spices, vegetables, seeds (aromatic, not garden seeds), seeds of morbid growth, weeds, and woods used expressly for dyeing; any of the foregoing which are drugs and not edible, but which are advanced in value or condition by refining, grinding, or other process, and not specially provided for in this Act, one-fourth of one cent per pound, and in addition thereto ten per centum ad valorem.

21. Ethers: Sulphuric, forty cents per pound; spirits of nitrous ether, twenty-five cents per pound; fruit ethers, oils, or essences, two dollars per pound; ethers of all kinds not specially provided for in this Act, one dollar per pound: *Provided*, That no article of this paragraph shall pay a less rate of duty than twenty-five per centum ad valorem.

22. Extracts and decoctions of logwood and other dyewoods, and extracts of barks, such as are commonly used for dyeing or tanning, not specially provided for in this Act, seven-eighths of one cent per pound; extracts of quebracho and of hemlock bark, one-half of one cent per pound; extracts of sumac, and of woods other than dyewoods, not specially provided for in this Act, five eighths of one cent per pound.

23. Gelatin, glue, isinglass or fish glue, and prepared fish bladders or fish sounds, valued at not above ten cents per pound, two and one-

half cents per pound; valued at above ten cents per pound and not above thirty-five cents per pound, twenty-five per centum ad valorem; valued above thirty-five cents per pound, fifteen cents per pound and twenty per centum ad valorem.

24. Glycerin, crude, not purified, one cent per pound; refined, three cents per pound.

25. Indigo, extracts, or pastes of, three-fourths of one cent per pound; carmined, ten cents per pound.

26. Ink and ink powders, twenty-five per centum ad valorem.

27. Iodine, resublimed, twenty cents per pound.

28. Iodoform, one dollar per pound.

29. Licorice, extracts of, in paste, rolls, or other forms, four and one-half cents per pound.

30. Chicle, ten cents per pound.

31. Magnesia, carbonate of, medicinal, three cents per pound; calcined, medicinal, seven cents per pound; sulphate of, or Epsom salts, one-fifth of one cent per pound.

OILS:

32. Alizarin assistant, sulpho-ricinoleic acid, and ricinoleic acid, by whatever name known, whether liquid, solid, or in paste, in the manufacture of which fifty per centum or more of castor oil is used, thirty cents per gallon; in the manufacture of which less than fifty per centum of castor oil is used, fifteen cents per gallon; all other alizarin assistant, not specially provided for in this Act, thirty per centum ad valorem.

33. Castor oil, thirty-five cents per gallon.

34. Cod-liver oil, fifteen cents per gallon.

35. Cotton-seed oil, four cents per gallon of seven and one-half pounds weight.

36. Croton oil, twenty cents per pound.

37. Flaxseed, linseed, and poppy-seed oil, raw, boiled, or oxidized, twenty cents per gallon of seven and one-half pounds weight.

38. Fusel oil, or amylic alcohol, one-fourth of one cent per pound.

39. Hemp-seed oil and rape-seed oil, ten cents per gallon.

40. Olive oil, not specially provided for in this Act, forty cents per gallon; in bottles, jars, tins, or similar packages, fifty cents per gallon.

41. Peppermint oil, fifty cents per pound.

42. Seal, herring, whale, and other fish oil, not specially provided for in this Act, eight cents per gallon.

43. Opium, crude or unmanufactured, and not adulterated, containing nine per centum and over of morphia, one dollar per pound; morphia or morphine, sulphate of, and all alkaloids or salts of opium, one dollar per ounce; aqueous extract of opium, for medicinal uses, and tincture of, as laudanum, and other liquid preparations of opium, not specially provided for in this Act, forty per centum ad valorem; opium containing less than nine per centum of morphia, and opium prepared for smoking, six dollars per pound; but opium prepared for smoking and other preparations of opium deposited in bonded warehouses shall not be removed therefrom without payment of duties, and such duties shall not be refunded.

PAINTS, COLORS, AND VARNISHES:

44. Baryta, sulphate of, or barytes, including barytes earth, unmanufactured, seventy-five cents per ton; manufactured, five dollars and twenty-five cents per ton.

45. Blues, such as Berlin, Prussian, Chinese, and all others, containing ferrocyanide of iron, in pulp, dry or ground in or mixed with oil or water, eight cents per pound.
46. Blanc-fixe, or artificial sulphate of barytes, and satin white, or artificial sulphate of lime, one-half of one cent per pound.
47. Black, made from bone, ivory, or vegetable substance, by whatever name known, including bone black and lampblack, dry or ground in oil or water, twenty-five per centum ad valorem.
48. Chrome yellow, chrome green, and all other chromium colors in the manufacture of which lead and bichromate of potash or soda are used, in pulp, dry, or ground in or mixed with oil or water, four and one-half cents per pound.
49. Ocher and ochery earths, sienna and sienna earths, and umber and umber earths, not specially provided for, when crude or not powdered, washed or pulverized, one-eighth of one cent per pound; if powdered, washed or pulverized, three-eighths of one cent per pound; if ground in oil or water, one and one-half cents per pound.
50. Orange mineral, three and three-eighths cents per pound.
51. Red lead, two and seven-eighths cents per pound.
52. Ultramarine blue, whether dry, in pulp, or mixed with water, and wash blue containing ultramarine, three and three-fourths cents per pound.
53. Varnishes, including so-called gold size or japan, thirty-five per centum ad valorem; spirit varnishes, one dollar and thirty-two cents per gallon and thirty-five per centum ad valorem.
54. Vermilion red, and other colors containing quicksilver, dry or ground in oil or water, ten cents per pound; when not containing quicksilver but made of lead or containing lead, five cents per pound.
55. White lead, white paint and pigment containing lead, dry or in pulp, or ground or mixed with oil, two and seven-eighths cents per pound.
56. Whiting and Paris white, dry, one-fourth of one cent per pound; ground in oil, or putty, one cent per pound.
57. Zinc, oxide of, and white paint or pigment containing zinc, but not containing lead, dry, one cent per pound; ground in oil, one and three-fourths cents per pound; sulfid of zinc white, or white sulphide of zinc, one and one-fourth cents per pound; chloride of zinc and sulphate of zinc, one cent per pound.
58. All paints, colors, pigments, lakes, crayons, smalts and frostings, whether crude or dry or mixed, or ground with water or oil or with solutions other than oil, not otherwise specially provided for in this Act, thirty per centum ad valorem; all paints, colors and pigments, commonly known as artists' paints or colors, whether in tubes, pans, cakes or other forms, thirty per centum ad valorem.
59. Paris green, and London purple, fifteen per centum ad valorem.
60. Lead: Acetate of, white, three and one-fourth cents per pound; brown, gray, or yellow, two and one-fourth cents per pound; nitrate of, two and one-half cents per pound; litharge, two and three-fourth cents per pound.
61. Phosphorus, eighteen cents per pound.

POTASH:

62. Bichromate and chromate of, three cents per pound.
63. Caustic or hydrate of, refined, in sticks or rolls, one cent per pound; chlorate of, two and one-half cents per pound.

- 64. Hydriodate, iodide, and iodate of, twenty-five cents per pound.
- 65. Nitrate of, or saltpeter, refined, one-half cent per pound.
- 66. Prussiate of, red, eight cents per pound; yellow, four cents per pound; cyanide of potassium, twelve and one-half per centum ad valorem.

PREPARATIONS:

- 67. Medicinal preparations containing alcohol, or in the preparation of which alcohol is used, not specially provided for in this Act, fifty-five cents per pound, but in no case shall the same pay less than twenty-five per centum ad valorem.
- 68. Medicinal preparations not containing alcohol or in the preparation of which alcohol is not used, not specially provided for in this Act, twenty-five per centum ad valorem; calomel and other mercurial medicinal preparations, thirty-five per centum ad valorem.
- 69. Plasters, healing or curative, of all kinds, and court-plaster, thirty-five per centum ad valorem.
- 70. Preparations used as applications to the hair, mouth, teeth, or skin, such as cosmetics, dentifrices, pastes, pomades, powders, and other toilet articles, and articles of perfumery, whether in sachets or otherwise, not containing alcohol or in the manufacture of which alcohol is not used, and not specially provided for in this Act, fifty per centum ad valorem.
- 71. Santonin, and all salts thereof containing eighty per centum or over of santonin, one dollar per pound.

SOAP:

- 72. Castile soap, one and one-fourth cents per pound; fancy, perfumed, and all descriptions of toilet soap, including so-called medicinal or medicated soaps, fifteen cents per pound; all other soaps not specially provided for in this Act, twenty per centum ad valorem.

SODA:

- 73. Bicarbonate of soda, or supercarbonate of soda, or saleratus, and other alkalies containing fifty per centum or more of bicarbonate of soda, three-fourths of one cent per pound.
- 74. Bichromate and chromate of soda, two cents per pound.
- 75. Crystal carbonate of soda, or concentrated soda crystals, or monohydrate, or sesquicarbonate of soda, three-tenths of one cent per pound; chlorate of soda two cents per pound.
- 76. Hydrate of, or caustic soda, three-fourths of one cent per pound; nitrite of soda, two and one-half cents per pound; hypo-sulphite and sulphide of soda, one-half of one cent per pound.
- 77. Sal soda, or soda crystals, not concentrated, two-tenths of one cent per pound.
- 78. Soda ash, three-eighths of one cent per pound; arseniate of soda, one and one-fourth cents per pound.
- 79. Silicate of soda, or other alkaline silicate, one-half of one cent per pound.
- 80. Sulphate of soda, or salt cake, or niter cake, one dollar and twenty-five cents per ton.
- 81. Sea moss, ten per centum ad valorem.
- 82. Sponges, twenty per centum ad valorem; manufactures of sponges, or of which sponge is the component material of chief value, not specially provided for in this Act, forty per centum ad valorem.

83. Strychnia, or strychnine, and all salts thereof, thirty cents per ounce.

84. Sulphur, refined or sublimed, or flowers of, eight dollars per ton.

85. Sumac, ground, three-tenths of one cent per pound.

86. Vanillin, eighty cents per ounce.

SCHEDULE B.—EARTHS, EARTHENWARE, AND GLASSWARE.

BRICK AND TILE:

87. Fire-brick, weighing not more than ten pounds each, not glazed, enameled, ornamented, or decorated in any manner, one dollar and twenty-five cents per ton; glazed, enameled, ornamented, or decorated, forty-five per centum ad valorem; brick, other than fire-brick, not glazed, enameled, painted, vitrified, ornamented, or decorated in any manner, twenty-five per centum ad valorem; if glazed, enameled, painted, vitrified, ornamented, or decorated in any manner, forty-five per centum ad valorem.

88. Tiles, plain unglazed, one color, exceeding two square inches in size, four cents per square foot; glazed, encaustic, ceramic mosaic, vitrified, semi-vitrified, flint, spar, embossed, enameled, ornamental, hand painted, gold decorated, and all other earthenware tiles, valued at not exceeding forty cents per square foot, eight cents per square foot; exceeding forty cents per square foot, ten cents per square foot and twenty-five per centum ad valorem.

CEMENT, LIME, AND PLASTER:

89. Roman, Portland, and other hydraulic cement, in barrels, sacks, or other packages, eight cents per one hundred pounds, including weight of barrel or package; in bulk, seven cents per one hundred pounds; other cement, twenty per centum ad valorem.

90. Lime, five cents per one hundred pounds, including weight of barrel or package.

91. Plaster rock or gypsum, crude, fifty cents per ton; if ground or calcined, two dollars and twenty-five cents per ton; pearl hardening for paper makers' use, twenty per centum ad valorem.

92. Pumice stone, wholly or partially manufactured, six dollars per ton; unmanufactured, fifteen per centum ad valorem.

CLAYS OR EARTHS:

93. Clays or earths, unwrought or unmanufactured, not specially provided for in this Act, one dollar per ton; wrought or manufactured, not specially provided for in this Act, two dollars per ton; china clay or kaolin, two dollars and fifty cents per ton; limestone rock asphalt containing not more than fifteen per centum of bitumen, fifty cents per ton; asphaltum and bitumen, not specially provided for in this Act, crude, if not dried, or otherwise advanced in any manner, one dollar and fifty cents per ton; if dried or otherwise advanced in any manner, three dollars per ton; bauxite, or beauxite, crude, not refined or otherwise advanced in condition from its natural state, one dollar per ton; fullers' earth, unwrought and unmanufactured, one dollar and fifty cents per ton; wrought or manufactured, three dollars per ton.

EARTHENWARE AND CHINA:

94. Common yellow, brown, or gray earthenware, plain, embossed, or salt-glazed common stoneware, and crucibles, all the foregoing not decorated in any manner, twenty-five per centum ad valorem; Rockingham earthenware not decorated, forty per centum ad valorem.
95. China, porcelain, parian, bisque, earthen, stone, and crockery ware, including clock cases with or without movements, plaques, ornaments, toys, toy tea sets, charms, vases and statuettes, painted, tinted, stained, enameled, printed, gilded, or otherwise decorated or ornamented in any manner, sixty per centum ad valorem; if plain white and without superadded ornamentation of any kind, fifty-five per centum ad valorem.
96. All other china, porcelain, parian, bisque, earthen, stone, and crockery ware, and manufactures thereof, or of which the same is the component material of chief value, by whatever name known, not specially provided for in this Act, if painted, tinted, stained, enameled, printed, gilded, or otherwise decorated or ornamented in any manner, sixty per centum ad valorem; if not ornamented or decorated, fifty-five per centum ad valorem.
97. Articles and wares composed wholly or in chief value of earthy or mineral substances, or carbon, not specially provided for in this Act, if not decorated in any manner, thirty-five per centum ad valorem; if decorated, forty-five per centum ad valorem.
98. Gas retorts, three dollars each; lava tips for burners, ten cents per gross and fifteen per centum ad valorem; carbons for electric lighting, ninety cents per hundred; filter tubes, forty-five per centum ad valorem; porous carbon pots for electric batteries, without metallic connections, twenty per centum ad valorem.

GLASS AND GLASSWARE:

99. Plain green or colored, molded or pressed, and flint, lime, or lead glass bottles, vials, jars, and covered or uncovered demijohns and carboys, any of the foregoing, filled or unfilled, not otherwise specially provided for, and whether their contents be dutiable or free, (except such as contain merchandise subject to an ad valorem rate of duty, or to a rate of duty based in whole or in part upon the value thereof, which shall be dutiable at the rate applicable to their contents) shall pay duty as follows: If holding more than one pint, one cent per pound; if holding not more than one pint and not less than one-fourth of a pint, one and one-half cents per pound; if holding less than one-fourth of a pint, fifty cents per gross: *Provided*, That none of the above articles shall pay a less rate of duty than forty per centum ad valorem.
100. Glass bottles, decanters, or other vessels or articles of glass, cut, engraved, painted, colored, stained, silvered, gilded, etched, frosted, printed in any manner or otherwise ornamented, decorated, or ground (except such grinding as is necessary for fitting stoppers), and any articles of which such glass is the component material of chief value, and porcelain, opal and other blown glassware; all the foregoing, filled or unfilled, and whether their contents be dutiable or free, sixty per centum ad valorem.

101. Unpolished, cylinder, crown, and common window glass, not exceeding ten by fifteen inches square, one and three-eighths cents per pound; above that, and not exceeding sixteen by twenty-four inches square, one and seven-eighths cents per pound; above that, and not exceeding twenty-four by thirty inches square, two and three-eighths cents per pound; above that, and not exceeding twenty-four by thirty-six inches square, two and seven-eighths cents per pound; above that, and not exceeding thirty by forty inches square, three and three-eighths cents per pound; above that, and not exceeding forty by sixty inches square, three and seven-eighths cents per pound; above that, four and three-eighths cents per pound: *Provided*, That unpolished cylinder, crown, and common window glass, imported in boxes, shall contain fifty square feet, as nearly as sizes will permit, and the duty shall be computed thereon according to the actual weight of glass.
102. Cylinder and crown glass, polished, not exceeding sixteen by twenty-four inches square, four cents per square foot; above that, and not exceeding twenty-four by thirty inches square, six cents per square foot; above that, and not exceeding twenty-four by sixty inches square, fifteen cents per square foot; above that, twenty cents per square foot.
103. Fluted, rolled, ribbed, or rough plate glass, or the same containing a wire netting within itself, not including crown, cylinder, or common window glass, not exceeding sixteen by twenty-four inches square, three-fourths of one cent per square foot; above that, and not exceeding twenty-four by thirty inches square, one and one-fourth cents per square foot; all above that, one and three-fourths cents per square foot; and all fluted, rolled, ribbed, or rough plate glass, weighing over one hundred pounds per one hundred square feet, shall pay an additional duty on the excess at the same rates herein imposed: *Provided*, That all of the above plate glass, when ground, smoothed, or otherwise obscured, shall be subject to the same rate of duty as cast polished plate glass unsilvered.
104. Cast polished plate glass, finished or unfinished and unsilvered, not exceeding sixteen by twenty-four inches square, eight cents per square foot; above that, and not exceeding twenty-four by thirty inches square, ten cents per square foot; above that, and not exceeding twenty-four by sixty inches square, twenty-two and one-half cents per square foot; all above that, thirty-five cents per square foot.
105. Cast polished plate glass, silvered, cylinder and crown glass, silvered, and looking-glass plates, exceeding in size one hundred and forty-four square inches and not exceeding sixteen by twenty-four inches square, eleven cents per square foot; above that, and not exceeding twenty-four by thirty inches square, thirteen cents per square foot; above that, and not exceeding twenty-four by sixty inches square, twenty-five cents per square foot; all above that, thirty-eight cents per square foot.
106. But no looking-glass plates or plate glass, silvered, when framed, shall pay a less rate of duty than that imposed upon similar glass of like description not framed, but shall pay in addition thereto upon such frames the rate of duty applicable thereto when imported separate.

107. Cast polished plate glass, silvered or unsilvered, and cylinder, crown, or common window glass, silvered or unsilvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated, shall be subject to a duty of five per centum ad valorem in addition to the rates otherwise chargeable thereon.
108. Spectacles, eyeglasses, and goggles, and frames for the same, or parts thereof, finished or unfinished, valued at not over forty cents per dozen, twenty cents per dozen and fifteen per centum ad valorem; valued at over forty cents per dozen and not over one dollar and fifty cents per dozen, forty-five cents per dozen and twenty per centum ad valorem; valued at over one dollar and fifty cents per dozen, fifty per centum ad valorem.
109. Lenses of glass or pebble, ground and polished to a spherical, cylindrical, or prismatic form, and ground and polished plano or coquill glasses, wholly or partly manufactured, with the edges unground, forty-five per centum ad valorem; if with their edges ground or beveled, ten cents per dozen pairs and forty-five per centum ad valorem.
110. Strips of glass, not more than three inches wide, ground or polished on one or both sides to a cylindrical or prismatic form, and glass slides for magic lanterns, forty-five per centum ad valorem.
111. Opera and field glasses, telescopes, microscopes, photographic and projecting lenses and optical instruments, and frames or mountings for the same; all the foregoing not specially provided for in this Act, forty-five per centum ad valorem.
112. Stained or painted glass windows, or parts thereof, and all mirrors, not exceeding in size one hundred and forty-four square inches, with or without frames or cases, and all glass or manufactures of glass or paste, or of which glass or paste is the component material of chief value, not specially provided for in this Act, forty-five per centum ad valorem.
113. Fusible enamel, twenty-five per centum ad valorem.

MARBLE AND STONE, AND MANUFACTURES OF:

114. Marble in block, rough or squared only, sixty-five cents per cubic foot; onyx in block, rough or squared, one dollar and fifty cents per cubic foot; marble or onyx, sawed or dressed, over two inches in thickness, one dollar and ten cents per cubic foot; slabs or paving tiles of marble or onyx, containing not less than four superficial inches, if not more than one inch in thickness, twelve cents per superficial foot; if more than one inch and not more than one and one-half inches in thickness, fifteen cents per superficial foot; if more than one and one-half inches and not more than two inches in thickness, eighteen cents per superficial foot; if rubbed in whole or in part, three cents per superficial foot in addition; mosaic cubes of marble, onyx, or stone, not exceeding two cubic inches in size, if loose, one cent per pound and twenty per centum ad valorem; if attached to paper or other material, twenty cents per superficial foot and thirty-five per centum ad valorem.
115. Manufactures of agate, alabaster, chalcedony, chrysolite, coral, cornelian, garnet, jasper, jet, malachite, marble, onyx, rock crystal, or spar, including clock cases with or without

movements, not specially provided for in this Act, fifty per centum ad valorem.

Stone—

116. Burr stones, manufactured or bound up into millstones, fifteen per centum ad valorem.
117. Freestone, granite, sandstone, limestone, and other building or monumental stone, except marble and onyx, unmanufactured or undressed, not specially provided for in this Act, twelve cents per cubic foot.
118. Freestone, granite, sandstone, limestone, and other building or monumental stone, except marble and onyx, not specially provided for in this Act, hewn, dressed, or polished, fifty per centum ad valorem.
119. Grindstones, finished or unfinished, one dollar and seventy-five cents per ton.

Slate—

120. Slates, slate chimney-pieces, mantels, slabs for tables, roofing slates, and all other manufactures of slate, not specially provided for in this Act, twenty per centum ad valorem.

SCHEDULE C.—METALS AND MANUFACTURES OF.

121. Iron ore, including manganiferous iron ore, and the dross or residuum from burnt pyrites, forty cents per ton: *Provided*, That in levying and collecting the duty on iron ore no deduction shall be made from the weight of the ore on account of moisture which may be chemically or physically combined therewith; basic slag, ground or unground, one dollar per ton.

122. Iron in pigs, iron kentledge, spiegeleisen, ferro-manganese, ferro-silicon, wrought and cast scrap iron, and scrap steel, four dollars per ton; but nothing shall be deemed scrap iron or scrap steel except waste or refuse iron or steel fit only to be remanufactured.

123. Bar iron, square iron, rolled or hammered, comprising flats not less than one inch wide nor less than three-eighths of one inch thick, round iron not less than seven-sixteenths of one inch in diameter, six-tenths of one cent per pound.

124. Round iron, in coils or rods, less than seven-sixteenths of one inch in diameter, and bars or shapes of rolled or hammered iron, not specially provided for in this Act, eight-tenths of one cent per pound: *Provided*, That all iron in slabs, blooms, loops, or other forms less finished than iron in bars, and more advanced than pig iron, except castings, shall be subject to a duty of five-tenths of one cent per pound: *Provided further*, That all iron bars, blooms, billets, or sizes or shapes of any kind, in the manufacture of which charcoal is used as fuel, shall be subject to a duty of twelve dollars per ton.

125. Beams, girders, joists, angles, channels, car-truck channels, T T, columns and posts or parts or sections of columns and posts, deck and bulb beams, and building forms, together with all other structural shapes of iron or steel, whether plain or punched, or fitted for use, five-tenths of one cent per pound.

126. Boiler or other plate iron or steel, except crucible plate steel and saw plates hereinafter provided for, not thinner than number ten wire gauge, sheared or unsheared, and skelp iron or steel sheared or rolled in grooves, valued at one cent per pound or less, five-tenths of one cent per pound; valued above one cent and not above two cents per pound, six-tenths of one cent per pound; valued above two cents and not above

four cents per pound, one cent per pound; valued at over four cents per pound, twenty-five per centum ad valorem: *Provided*, That all sheets or plates of iron or steel thinner than number ten wire gauge shall pay duty as iron or steel sheets.

127. Iron or steel anchors or parts thereof, one and one-half cents per pound; forgings of iron or steel, or of combined iron and steel, of whatever shape or whatever degree or stage of manufacture, not specially provided for in this Act, thirty-five per centum ad valorem; anti-friction ball forgings of iron or steel, or of combined iron and steel, forty-five per centum ad valorem.

128. Hoop, band, or scroll iron or steel, not otherwise provided for in this Act, valued at three cents per pound or less, eight inches or less in width, and less than three-eighths of one inch thick and not thinner than number ten wire gauge, five-tenths of one cent per pound; thinner than number ten wire gauge and not thinner than number twenty wire gauge, six-tenths of one cent per pound; thinner than number twenty wire gauge, eight-tenths of one cent per pound: *Provided*, That barrel hoops of iron or steel, and hoop or band iron or hoop or band steel flared, splayed or punched, with or without buckles or fastenings, shall pay one-tenth of one cent per pound more duty than that imposed on the hoop or band iron or steel from which they are made; steel bands or strips, untempered, suitable for making band saws, three cents per pound and twenty per centum ad valorem; if tempered, or tempered and polished, six cents per pound and twenty per centum ad valorem.

129. Hoop or band iron, or hoop or band steel, cut to lengths, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity, five-tenths of one cent per pound.

130. Railway bars, made of iron or steel, and railway bars made in part of steel, T rails, and punched iron or steel flat rails, seven-twentieths of one cent per pound; railway fish-plates or splice-bars, made of iron or steel, four-tenths of one cent per pound.

131. Sheets of iron or steel, common or black, of whatever dimensions, and skelp iron or steel, valued at three cents per pound or less, thinner than number ten and not thinner than number twenty wire gauge, seven-tenths of one cent per pound; thinner than number twenty wire gauge and not thinner than number twenty-five wire gauge, eight-tenths of one cent per pound; thinner than number twenty-five wire gauge and not thinner than number thirty-two wire gauge, one and one-tenth cents per pound; thinner than number thirty-two wire gauge, one and two-tenths cents per pound; corrugated or crimped, one and one-tenth cents per pound: *Provided*, That all sheets of common or black iron or steel not thinner than number ten wire gauge shall pay duty as plate iron or plate steel.

132. All iron or steel sheets or plates, and all hoop, band, or scroll iron or steel, excepting what are known commercially as tin plates, terne plates, and taggers tin, and hereinafter provided for, when galvanized or coated with zinc, spelter, or other metals, or any alloy of those metals, shall pay two-tenths of one cent per pound more duty than if the same was not so galvanized or coated.

133. Sheets of iron or steel, polished, planished, or glanced, by whatever name designated, two cents per pound: *Provided*, That plates or sheets of iron or steel, by whatever name designated, other than the polished, planished, or glanced herein provided for, which have been pickled or cleaned by acid, or by any other material or process, or which

are cold-rolled, smoothed only, not polished, shall pay two-tenths of one cent per pound more duty than the corresponding gauges of common or black sheet iron or steel.

134. Sheets or plates of iron or steel, or taggers iron or steel, coated with tin or lead, or with a mixture of which these metals, or either of them, is a component part, by the dipping or any other process, and commercially known as tin plates, terne plates, and taggers tin, one and one-half cents per pound.

135. Steel ingots, cogged ingots, blooms, and slabs, by whatever process made; die blocks or blanks; billets and bars and tapered or beveled bars; mill shafting; pressed, sheared, or stamped shapes; saw plates, wholly or partially manufactured; hammer molds or swaged steel; gun-barrel molds not in bars; alloys used as substitutes for steel in the manufacture of tools; all descriptions and shapes of dry sand, loam, or iron-molded steel castings; sheets and plates and steel in all forms and shapes not specially provided for in this Act, all of the above valued at one cent per pound or less, three-tenths of one cent per pound; valued above one cent and not above one and four-tenths cents per pound, four-tenths of one cent per pound; valued above one and four-tenths cents and not above one and eight-tenths cents per pound, six-tenths of one cent per pound; valued above one and eight-tenths cents and not above two and two-tenths cents per pound, seven-tenths of one cent per pound; valued above two and two-tenths cents and not above three cents per pound, nine-tenths of one cent per pound; valued above three cents per pound and not above four cents per pound, one and two-tenths cents per pound; valued above four cents and not above seven cents per pound, one and three-tenths cents per pound; valued above seven cents and not above ten cents per pound, two cents per pound; valued above ten cents and not above thirteen cents per pound, two and four-tenths cents per pound; valued above thirteen cents and not above sixteen cents per pound, two and eight-tenths cents per pound; valued above sixteen cents per pound, four and seven-tenths cents per pound.

WIRE:

136. Wire rods: Rivet, screw, fence, and other iron or steel wire rods, whether round, oval, flat, or square, or in any other shape, and nail rods, in coils or otherwise, valued at four cents or less per pound, four-tenths of one cent per pound; valued over four cents per pound, three-fourths of one cent per pound: *Provided*, That all round iron or steel rods smaller than number six wire gauge shall be classed and dutiable as wire: *Provided further*, That all iron or steel wire rods which have been tempered or treated in any manner or partly manufactured shall pay an additional duty of one-half of one cent per pound.

137. Round iron or steel wire, not smaller than number thirteen wire gauge, one and one-fourth cents per pound; smaller than number thirteen and not smaller than number sixteen wire gauge, one and one-half cents per pound; smaller than number sixteen wire gauge, two cents per pound: *Provided*, That all the foregoing valued at more than four cents per pound shall pay forty per centum ad valorem. Iron or steel or other wire not specially provided for in this Act, including such as is commonly known as hat wire, or bonnet wire, crinoline wire, corset wire, needle wire, piano wire, clock wire, and watch wire, whether flat or otherwise, and corset clasps, corset steels and dress steels, and

sheet steel in strips, twenty-five one-thousandths of an inch thick or thinner, any of the foregoing, whether uncovered or covered with cotton, silk, metal, or other material, valued at more than four cents per pound, forty-five per centum ad valorem: *Provided*, That articles manufactured from iron, steel, brass, or copper wire, shall pay the rate of duty imposed upon the wire used in the manufacture of such articles, and in addition thereto one and one-fourth cents per pound, except that wire rope and wire strand shall pay the maximum rate of duty which would be imposed upon any wire used in the manufacture thereof, and in addition thereto one cent per pound; and on iron or steel wire coated with zinc, tin, or any other metal, two-tenths of one cent per pound in addition to the rate imposed on the wire from which it is made.

GENERAL PROVISIONS.

138. No allowance or reduction of duties for partial loss or damage in consequence of rust or of discoloration shall be made upon any description of iron or steel, or upon any article wholly or partly manufactured of iron or steel, or upon any manufacture of iron or steel.

139. All metal produced from iron or its ores, which is cast and malleable, of whatever description or form, without regard to the percentage of carbon contained therein, whether produced by cementation, or converted, cast, or made from iron or its ores, by the crucible, Bessemer, Clapp-Griffith, pneumatic, Thomas-Gilchrist, basic, Siemens-Martin, or open-hearth process, or by the equivalent of either, or by a combination of two or more of the processes, or their equivalents, or by any fusion or other process which produces from iron or its ores a metal either granular or fibrous in structure, which is cast and malleable, excepting what is known as malleable-iron castings, shall be classed and denominated as steel.

140. No article not specially provided for in this Act, which is wholly or partly manufactured from tin plate, terne plate, or the sheet, plate, hoop, band, or scroll iron or steel herein provided for, or of which such tin plate, terne plate, sheet, plate, hoop, band, or scroll iron or steel shall be the material of chief value, shall pay a lower rate of duty than that imposed on the tin plate, terne plate, or sheet, plate, hoop, band, or scroll iron or steel from which it is made, or of which it shall be the component thereof of chief value.

141. On all iron or steel bars or rods of whatever shape or section which are cold rolled, cold drawn, cold hammered, or polished in any way in addition to the ordinary process of hot rolling or hammering, there shall be paid one-fourth of one cent per pound in addition to the rates provided in this Act on bars or rods of whatever section or shape which are hot rolled; and on all strips, plates, or sheets of iron or steel of whatever shape, other than the polished, planished, or glanced sheet-iron or sheet-steel hereinbefore provided for, which are cold rolled, cold hammered, blued, brightened, tempered, or polished by any process to such perfected surface finish or polish better than the grade of cold rolled, smoothed only, hereinbefore provided for, there shall be paid one cent per pound in addition to the rates provided in this Act upon plates, strips, or sheets of iron or steel of common or black finish; and on steel circular saw plates there shall be paid one-half of one cent per pound in addition to the rate provided in this Act for steel saw plates.

MANUFACTURES OF IRON AND STEEL.

142. Anvils of iron or steel, or of iron and steel combined, by whatever process made, or in whatever stage of manufacture, one and seven-eighths cents per pound.

143. Axles, or parts thereof, axle bars, axle blanks, or forgings for axles, whether of iron or steel, without reference to the stage or state of manufacture, valued at not more than six cents per pound, one cent per pound: *Provided*, That when iron or steel axles are imported fitted in wheels, or parts of wheels, of iron or steel, they shall be dutiable at the same rate as the wheels in which they are fitted.

144. Blacksmiths' hammers and sledges, track tools, wedges, and crowbars, whether of iron or steel, one and one-half cents per pound.

145. Bolts, with or without threads or nuts, or bolt-blanks, and finished hinges or hinge-blanks, whether of iron or steel, one and one-half cents per pound.

146. Card-clothing manufactured from tempered steel wire, forty-five cents per square foot; all other, twenty cents per square foot.

147. Cast-iron pipe of every description, four-tenths of one cent per pound.

148. Cast-iron vessels, plates, stove-plates, andirons, sad-irons, tailors' irons, hatters' irons, and castings of iron, not specially provided for in this Act, eight-tenths of one cent per pound.

149. Castings of malleable iron not specially provided for in this Act, nine-tenths of one cent per pound.

150. Cast hollow-ware, coated, glazed, or tinned, two cents per pound.

151. Chain or chains of all kinds, made of iron or steel, not less than three-fourths of one inch in diameter, one and one-eighth cents per pound; less than three-fourths of one inch and not less than three-eighths of one inch in diameter, one and three-eighths cents per pound; less than three-eighths of one inch in diameter and not less than five-sixteenths of one inch in diameter, one and seven-eighths cents per pound; less than five-sixteenths of one inch in diameter, three cents per pound; but no chain or chains of any description shall pay a lower rate of duty than forty-five per centum ad valorem.

152. Lap welded, butt welded, seamed, or jointed iron or steel boiler tubes, pipes, flues, or stays, not thinner than number sixteen wire gauge, two cents per pound; welded cylindrical furnaces, made from plate metal, two and one-half cents per pound; all other iron or steel tubes, finished, not specially provided for in this Act, thirty-five per centum ad valorem.

CUTLERY:

153. Penknives or pocketknives, clasp knives, pruning knives, and budding knives of all kinds, or parts thereof, and erasers or manicule knives, or parts thereof, wholly or partly manufactured, valued at not more than forty cents per dozen, forty per centum ad valorem; valued at more than forty cents per dozen and not exceeding fifty cents per dozen, one cent per piece and forty per centum ad valorem; valued at more than fifty cents per dozen and not exceeding one dollar and twenty-five cents per dozen, five cents per piece and forty per centum ad valorem; valued at more than one dollar and twenty-five cents per dozen and not exceeding three dollars per dozen, ten cents per piece and forty per centum ad valorem; valued at more than three dollars per dozen, twenty cents per piece and forty per centum

ad valorem: *Provided*, That blades, handles, or other parts of either or any of the foregoing articles, imported in any other manner than assembled in finished knives or erasers, shall be subject to no less rate of duty than herein provided, for pen-knives, pocketknives, clasp knives, pruning-knives, manicure knives, and erasers valued at more than fifty and not more than one dollar and fifty cents per dozen. Razors and razor blades, finished or unfinished, valued at less than one dollar and fifty cents per dozen, fifty cents per dozen and fifteen per centum ad valorem; valued at one dollar and fifty cents per dozen and less than three dollars per dozen, one dollar per dozen and fifteen per centum ad valorem; valued at three dollars per dozen or more, one dollar and seventy-five cents per dozen and twenty per centum ad valorem. Scissors and shears, and blades for the same, finished or unfinished, valued at not more than fifty cents per dozen, fifteen cents per dozen and fifteen per centum ad valorem; valued at more than fifty cents and not more than one dollar and seventy-five cents per dozen, fifty cents per dozen and fifteen per centum ad valorem; valued at more than one dollar and seventy-five cents per dozen, seventy-five cents per dozen and twenty-five per centum ad valorem.

154. Swords, sword-blades, and side-arms, thirty-five per centum ad valorem.

155. Table, butchers', carving, cooks', hunting, kitchen, bread, butter, vegetable, fruit, cheese, plumbers', painters', palette, artists', and shoe knives, forks and steels, finished or unfinished, with handles of mother-of-pearl, shell or ivory, sixteen cents each; with handles of deer horn, twelve cents each; with handles of hard rubber, solid bone, celluloid or any pyroxyline material, five cents each; with handles of any other material than those above mentioned, one and one-half cents each, and in addition, on all the above articles, fifteen per centum ad valorem: *Provided*, That none of the above-named articles shall pay a less rate of duty than forty-five per centum ad valorem.

156. Files, file-blanks, rasps, and floats, of all cuts and kinds, two and one-half inches in length and under, thirty cents per dozen; over two and one-half inches in length and not over four and one-half inches, fifty cents per dozen; over four and one-half inches in length and under seven inches, seventy-five cents per dozen; seven inches in length and over, one dollar per dozen.

FIREARMS:

157. Muskets, muzzle-loading shotguns, rifles, and parts thereof, twenty-five per centum ad valorem.

158. Double-barreled, sporting, breech-loading shotguns, combination shotguns and rifles, valued at not more than five dollars, one dollar and fifty cents each and in addition thereto fifteen per centum ad valorem; valued at more than five dollars and not more than ten dollars, four dollars each and in addition thereto fifteen per centum ad valorem each; valued at more than ten dollars, six dollars each; double barrels for sporting breech-loading shotguns and rifles further advanced in manufacture than rough bored only, three dollars each; stocks for double-barreled sporting breech-loading shotguns and rifles wholly or partially manu-

factured, three dollars each; and in addition thereto on all such guns and rifles, valued at more than ten dollars each, and on such stocks and barrels, thirty-five per centum ad valorem; on all other parts of such guns or rifles, and fittings for such stocks or barrels, finished or unfinished, fifty per centum ad valorem: *Provided*, That all double-barrel sporting breech-loading shotguns and rifles imported without a lock or locks or other fittings shall be subject to a duty of six dollars each and thirty-five per centum ad valorem; single-barreled breech-loading shotguns, or parts thereof, except as otherwise specially provided for in this Act, one dollar each and thirty-five per centum ad valorem. Revolving pistols or parts thereof, seventy-five cents each and twenty-five per centum ad valorem.

159. Sheets, plates, wares, or articles of iron, steel, or other metal, enameled or glazed with vitreous glasses, forty per centum ad valorem.

NAILS, SPIKES, TACKS, AND NEEDLES:

160. Cut nails and cut spikes of iron or steel, six-tenths of one cent per pound.
161. Horseshoe nails, hob nails, and all other wrought iron or steel nails not specially provided for in this Act, two and one-fourth cents per pound.
162. Wire nails made of wrought iron or steel, not less than one inch in length and not lighter than number sixteen wire gauge, one-half of one cent per pound; less than one inch in length and lighter than number sixteen wire gauge, one cent per pound.
163. Spikes, nuts, and washers, and horse, mule, or ox shoes, of wrought iron or steel, one cent per pound.
164. Cut tacks, brads, or sprigs, not exceeding sixteen ounces to the thousand, one and one-fourth cents per thousand; exceeding sixteen ounces to the thousand, one and one-half cents per pound.
165. Needles for knitting or sewing machines, including latch needles, one dollar per thousand and twenty-five per centum ad valorem; crochet needles and tape needles, knitting and all other needles, not specially provided for in this Act, and bodkins of metal, twenty-five per centum ad valorem.

PLATES:

166. Steel plates engraved, stereotype plates, electrotpe plates, and plates of other materials, engraved or lithographed, for printing, twenty-five per centum ad valorem.
167. Rivets of iron or steel, two cents per pound.

SAWS:

168. Crosscut saws, six cents per linear foot; mill saws, ten cents per linear foot; pit, and drag saws, eight cents per linear foot; circular saws, twenty-five per centum ad valorem; steel band saws, finished or further advanced than tempered and polished, ten cents per pound and twenty per centum ad valorem; hand, back, and all other saws, not specially provided for in this Act, thirty per centum ad valorem.
169. Screws, commonly called wood screws, made of iron or steel, more than two inches in length, four cents per pound; over one inch and not more than two inches in length, six cents per pound; over one-half inch and not more than one inch in length, eight and one-half cents per pound; one-half inch and less in length, twelve cents per pound.

170. Umbrella and parasol ribs and stretchers, composed in chief value of iron, steel, or other metal, in frames or otherwise, fifty per centum ad valorem.

171. Wheels for railway purposes, or parts thereof, made of iron or steel, and steel-tired wheels for railway purposes, whether wholly or partly finished, and iron or steel locomotive, car, or other railway tires or parts thereof, wholly or partly manufactured, one and one-half cents per pound; and ingots, cogged ingots, blooms, or blanks for the same, without regard to the degree of manufacture, one and one-fourth cents per pound: *Provided*, That when wheels for railway purposes, or parts thereof, of iron or steel, are imported with iron or steel axles fitted in them, the wheels and axles together shall be dutiable at the same rate as is provided for the wheels when imported separately.

MISCELLANEOUS METALS AND MANUFACTURES OF.

172. Aluminum, and alloys of any kind in which aluminum is the component material of chief value, in crude form, eight cents per pound; in plates, sheets, bars, and rods, thirteen cents per pound.

173. Antimony, as regulus or metal, three-fourths of one cent per pound.

174. Argentine, albata, or German silver, unmanufactured, twenty-five per centum ad valorem.

175. Bronze powder, twelve cents per pound; bronze or Dutch-metal or aluminum, in leaf, six cents per package of one hundred leaves.

176. Copper in rolled plates, called braziers' copper, sheets, rods, pipes, and copper bottoms, two and one-half cents per pound; sheathing or yellow metal of which copper is the component material of chief value, and not composed wholly or in part of iron ungalvanized, two cents per pound.

GOLD AND SILVER:

177. Gold leaf, one dollar and seventy-five cents per package of five hundred leaves.

178. Silver leaf, seventy-five cents per package of five hundred leaves.

179. Tinsel wire, lame or lahn, made wholly or in chief value of gold, silver, or other metal, five cents per pound; bullions and metal threads, made wholly or in chief value of tinsel wire, lame or lahn, five cents per pound and thirty-five per centum ad valorem; laces, embroideries, braids, galloons, trimmings, or other articles, made wholly or in chief value of tinsel wire, lame or lahn, bullions, or metal threads, sixty per centum ad valorem.

180. Hooks and eyes, metallic, whether loose, carded or otherwise, including weight of cards, cartons, and immediate wrappings and labels, five and one-half cents per pound and fifteen per centum ad valorem.

LEAD:

181. Lead-bearing ore of all kinds, one and one-half cents per pound on the lead contained therein: *Provided*, That on all importations of lead-bearing ores the duties shall be estimated at the port of entry, and a bond given in double the amount of such estimated duties for the transportation of the ores by common carriers bonded for the transportation of appraised or unappraised merchandise to properly equipped sampling or smelting establishments, whether designated as bonded warehouses or otherwise. On the arrival of the ores at such establishments

they shall be sampled according to commercial methods under the supervision of Government officers, who shall be stationed at such establishments, and who shall submit the samples thus obtained to a Government assayer, designated by the Secretary of the Treasury, who shall make a proper assay of the sample, and report the result to the proper customs officers, and the import entries shall be liquidated thereon, except in case of ores that shall be removed to a bonded warehouse to be refined for exportation as provided by law. And the Secretary of the Treasury is authorized to make all necessary regulations to enforce the provisions of this paragraph.

182. Lead dross, lead bullion or base bullion, lead in pigs and bars, lead in any form not specially provided for in this Act, old refuse lead run into blocks and bars, and old scrap lead fit only to be remanufactured; all the foregoing, two and one-eighth cents per pound; lead in sheets, pipe, shot, glaziers' lead and lead wire, two and one-half cents per pound.

183. Metallic mineral substances in a crude state, and metals unwrought, not specially provided for in this Act, twenty per centum ad valorem; monazite sand and thorite, six cents per pound.

184. Mica, unmanufactured, or rough trimmed only, six cents per pound and twenty per centum ad valorem; mica, cut or trimmed, twelve cents per pound and twenty per centum ad valorem.

185. Nickel, nickel oxide, alloy of any kind in which nickel is a component material of chief value, in pigs, ingots, bars, or sheets, six cents per pound.

186. Pens, metallic, except gold pens, twelve cents per gross.

187. Penholder tips, penholders or parts thereof, and gold pens, twenty-five per centum ad valorem.

188. Pins with solid heads, without ornamentation, including hair, safety, hat, bonnet, and shawl pins; any of the foregoing composed wholly of brass, copper, iron, steel, or other base metal, not plated, and not commonly known as jewelry, thirty-five per centum ad valorem.

189. Quicksilver, seven cents per pound. The flasks, bottles, or other vessels in which quicksilver is imported shall be subject to the same rate of duty as they would be subjected to if imported empty.

190. Type metal, one and one-half cents per pound for the lead contained therein; new types, twenty-five per centum ad valorem.

191. Watch movements, whether imported in cases or not, if having not more than seven jewels, thirty-five cents each; if having more than seven jewels and not more than eleven jewels, fifty cents each; if having more than eleven jewels and not more than fifteen jewels, seventy-five cents each; if having more than fifteen jewels and not more than seventeen jewels, one dollar and twenty-five cents each; if having more than seventeen jewels, three dollars each, and in addition thereto, on all the foregoing, twenty-five per centum ad valorem; watch cases and parts of watches, including watch dials, chronometers, box or ship, and parts thereof, clocks and parts thereof, not otherwise provided for in this Act, whether separately packed or otherwise, not composed wholly or in part of china, porcelain, parian, bisque or earthenware, forty per centum ad valorem; all jewels for use in the manufacture of watches or clocks, ten per centum ad valorem.

192. Zinc in blocks or pigs, one and one-half cents per pound; in sheets, two cents per pound; old and worn-out, fit only to be remanufactured, one cent per pound.

193. Articles or wares not specially provided for in this Act, composed

wholly or in part of iron, steel, lead, copper, nickel, pewter, zinc, gold, silver, platinum, aluminum or other metal, and whether partly or wholly manufactured, forty-five per centum ad valorem.

SCHEDULE D.—WOOD AND MANUFACTURES OF.

194. Timber hewn, sided, or squared (not less than eight inches square), and round timber used for spars or in building wharves, one cent per cubic foot.

195. Sawed boards, planks, deals, and other lumber of whitewood, sycamore, and basswood, one dollar per thousand feet board measure, sawed lumber, not specially provided for in this Act, two dollars per thousand feet board measure; but when lumber of any sort is planed or finished, in addition to the rates herein provided, there shall be levied and paid for each side so planed or finished fifty cents per thousand feet board measure; and if planed on one side and tongued and grooved, one dollar per thousand feet board measure; and if planed on two sides and tongued and grooved, one dollar and fifty cents per thousand feet board measure; and in estimating board measure under this schedule no deduction shall be made on board measure on account of planing, tongueing and grooving: *Provided*, That if any country or dependency shall impose an export duty upon saw logs, round unmanufactured timber, stave bolts, shingle bolts, or heading bolts, exported to the United States, or a discriminating charge upon boom sticks, or chains used by American citizens in towing logs, the amount of such export duty, tax, or other charge, as the case may be, shall be added as an additional duty to the duties imposed upon the articles mentioned in this paragraph when imported from such country or dependency.

196. Paving posts, railroad ties, and telephone, trolley, electric-light and telegraph poles of cedar or other woods, twenty per centum ad valorem.

197. Kindling wood in bundles not exceeding one-quarter of a cubic foot each, three-tenths of one cent per bundle; if in larger bundles, three-tenths of one cent for each additional quarter of a cubic foot or fractional part thereof.

198. Sawed boards, planks, deals, and all forms of sawed cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods not further manufactured than sawed, fifteen per centum ad valorem; veneers of wood, and wood, unmanufactured, not specially provided for in this Act, twenty per centum ad valorem.

199. Clapboards, one dollar and fifty cents per thousand.

200. Hubs for wheels, posts, heading bolts, stave bolts, last-blocks, wagon blocks, oar-blocks, heading-blocks, and all like blocks or sticks, rough-hewn, sawed or bored, twenty per centum ad valorem; fence posts, ten per centum ad valorem.

201. Laths, twenty-five cents per one thousand pieces.

202. Pickets, palings and staves of wood, of all kinds, ten per centum ad valorem.

203. Shingles, thirty cents per thousand.

204. Casks, barrels, and hogsheads, (empty), sugar-box shooks, and packing-boxes (empty), and packing-box shooks, of wood, not specially provided for in this Act, thirty per centum ad valorem.

205. Boxes, barrels, or other articles containing oranges, lemons, limes, grape fruit, shaddocks or pomelos, thirty per centum ad valorem: *Provided*, That the thin wood, so called, comprising the sides, tops and

bottoms of orange and lemon boxes of the growth and manufacture of the United States, exported as orange and lemon box shooks, may be reimported in completed form, filled with oranges and lemons, by the payment of duty at one-half the rate imposed on similar boxes of entirely foreign growth and manufacture.

206. Chair cane or reeds, wrought or manufactured from rattans or reeds, ten per centum ad valorem; osier or willow prepared for basket makers' use, twenty per centum ad valorem; manufactures of osier or willow, forty per centum ad valorem.

207. Toothpicks of wood or other vegetable substance, two cents per one thousand and fifteen per centum ad valorem; butchers' and packers' skewers of wood, forty cents per thousand.

208. House or cabinet furniture, of wood, wholly or partly finished, and manufactures of wood, or of which wood is the component material of chief value, not specially provided for in this Act, thirty-five per centum ad valorem.

SCHEDULE E.—SUGAR, MOLASSES, AND MANUFACTURES OF.

209. Sugars not above number sixteen Dutch standard in color, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above seventy-five degrees, ninety-five one-hundredths of one cent per pound, and for every additional degree shown by the polariscopic test, thirty-five one-thousandths of one cent per pound additional, and fractions of a degree in proportion; and on sugar above number sixteen Dutch standard in color, and on all sugar which has gone through a process of refining, one cent and ninety-five one-hundredths of one-cent per pound; molasses testing above forty degrees and not above fifty-six degrees, three cents per gallon; testing fifty-six degrees and above, six cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test: *Provided*, That nothing herein contained shall be so construed as to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the King of the Hawaiian Islands on the thirtieth day of January, eighteen hundred and seventy-five, or the provisions of any Act of Congress heretofore passed for the execution of the same.

210. Maple sugar and maple sirup, four cents per pound; glucose or grape sugar, one and one-half cents per pound; sugar cane in its natural state, or unmanufactured, twenty per centum ad valorem.

211. Saccharine, one dollar and fifty cents per pound and ten per centum ad valorem.

212. Sugar candy and all confectionery not specially provided for in this Act, valued at fifteen cents per pound or less, and on sugars after being refined, when tintured, colored or in any way adulterated, four cents per pound and fifteen per centum ad valorem; valued at more than fifteen cents per pound, fifty per centum ad valorem. The weight and the value of the immediate coverings, other than the outer packing case or other covering, shall be included in the dutiable weight and the value of the merchandise.

SCHEDULE F.—TOBACCO AND MANUFACTURES OF.

213. Wrapper tobacco, and filler tobacco when mixed or packed with more than fifteen per centum of wrapper tobacco, and all leaf tobacco,

the product of two or more countries or dependencies when mixed or packed together, if unstemmed, one dollar and eighty-five cents per pound; if stemmed, two dollars and fifty cents per pound; filler tobacco not specially provided for in this Act, if unstemmed, thirty-five cents per pound; if stemmed, fifty cents per pound.

214. The term wrapper tobacco as used in this Act means that quality of leaf tobacco which is suitable for cigar wrappers, and the term filler tobacco means all other leaf tobacco. Collectors of customs shall not permit entry to be made, except under regulations to be prescribed by the Secretary of the Treasury, of any leaf tobacco, unless the invoices of the same shall specify in detail the character of such tobacco, whether wrapper or filler, its origin and quality. In the examination for classification of any imported leaf tobacco, at least one bale, box, or package in every ten, and at least one in every invoice, shall be examined by the appraiser or person authorized by law to make such examination, and at least ten hands shall be examined in each examined bale, box, or package.

215. All other tobacco, manufactured or unmanufactured, not specially provided for in this Act, fifty-five cents per pound.

216. Snuff and snuff flour, manufactured of tobacco, ground dry, or damp, and pickled, scented, or otherwise, of all descriptions, fifty-five cents per pound.

217. Cigars, cigarettes, cheroots of all kinds, four dollars and fifty cents per pound and twenty-five per centum ad valorem; and paper cigars and cigarettes, including wrappers, shall be subject to the same duties as are herein imposed upon cigars.

SCHEDULE G.—AGRICULTURAL PRODUCTS AND PROVISIONS.

ANIMALS, LIVE:

218. Cattle, if less than one year old, two dollars per head; all other cattle if valued at not more than fourteen dollars per head, three dollars and seventy-five cents per head; if valued at more than fourteen dollars per head, twenty-seven and one-half per centum ad valorem.

219. Swine, one dollar and fifty cents per head.

220. Horses and mules, valued at one hundred and fifty dollars or less per head, thirty dollars per head; if valued at over one hundred and fifty dollars, twenty-five per centum ad valorem.

221. Sheep, one year old or over, one dollar and fifty cents per head; less than one year old, seventy-five cents per head.

222. All other live animals, not specially provided for in this Act, twenty per centum ad valorem.

BREADSTUFFS AND FARINACEOUS SUBSTANCES:

223. Barley, thirty cents per bushel of forty-eight pounds.

224. Barley-malt, forty-five cents per bushel of thirty-four pounds.

225. Barley, pearled, patent, or hulled, two cents per pound.

226. Buckwheat, fifteen cents per bushel of forty-eight pounds.

227. Corn or maize, fifteen cents per bushel of fifty-six pounds.

228. Corn meal, twenty cents per bushel of forty-eight pounds.

229. Macaroni, vermicelli, and all similar preparations, one and one-half cents per pound.

230. Oats, fifteen cents per bushel.

231. Oatmeal and rolled oats, one cent per pound; oat hulls, ten cents per hundred pounds.

- 232. Rice, cleaned, two cents per pound; uncleaned rice, or rice free of the outer hull and still having the inner cuticle on, one and one-fourth cents per pound; rice flour, and rice meal, and rice broken which will pass through a sieve known commercially as number twelve wire sieve, one-fourth of one cent per pound; paddy, or rice having the outer hull on, three-fourths of one cent per pound.
- 233. Rye, ten cents per bushel; rye flour, one-half of one cent per pound.
- 234. Wheat, twenty-five cents per bushel.
- 235. Wheat flour, twenty-five per centum ad valorem.

DAIRY PRODUCTS:

- 236. Butter, and substitutes therefor, six cents per pound.
- 237. Cheese, and substitutes therefor, six cents per pound.
- 238. Milk, fresh, two cents per gallon.
- 239. Milk, preserved or condensed, or sterilized by heating or other processes, including weight of immediate coverings, two cents per pound; sugar of milk, five cents per pound.

FARM AND FIELD PRODUCTS:

- 240. Beans, forty-five cents per bushel of sixty pounds.
- 241. Beans, pease, and mushrooms, prepared or preserved, in tins, jars, bottles, or similar packages, two and one-half cents per pound, including the weight of all tins, jars, and other immediate coverings; all vegetables, prepared or preserved, including pickles and sauces of all kinds, not specially provided for in this Act, and fish paste or sauce, forty per centum ad valorem.
- 242. Cabbages, three cents each.
- 243. Cider, five cents per gallon.
- 244. Eggs, not specially provided for in this Act, five cents per dozen.
- 245. Eggs, yolk of, twenty-five per centum ad valorem; albumen, egg or blood, three cents per pound; dried blood, when soluble, one and one-half cents per pound.
- 246. Hay, four dollars per ton.
- 247. Honey, twenty cents per gallon.
- 248. Hops, twelve cents per pound; hop extract and lupulin, fifty per centum ad valorem.
- 249. Onions, forty cents per bushel; garlic, one cent per pound.
- 250. Pease, green, in bulk or in barrels, sacks, or similar packages, and seed pease, forty cents per bushel of sixty pounds; pease, dried, not specially provided for, thirty cents per bushel; split pease, forty cents per bushel of sixty pounds; pease in cartons, papers, or other small packages, one cent per pound.
- 251. Orchids, palms, dracenas, crotons and azaleas, tulips, hyacinths, narcissi, jonquils, lilies, lilies of the valley, and all other bulbs, bulbous roots, or corms, which are cultivated for their flowers, and natural flowers of all kinds, preserved or fresh, suitable for decorative purposes, twenty-five per centum ad valorem.
- 252. Stocks, cuttings or seedlings of Myrobalan plum, Mahaleb or Mazzard cherry, three years old or less, fifty cents per thousand plants and fifteen per centum ad valorem; stocks, cuttings or seedlings of pear, apple, quince and the St. Julien plum, three years old or less, and evergreen seedlings, one dollar per thousand plants and fifteen per centum ad valorem;

rose plants, budded, grafted, or grown on their own roots, two and one-half cents each; stocks, cuttings and seedlings of all fruit and ornamental trees, deciduous and evergreen, shrubs and vines, manetti, multiflora, and brier rose, and all trees, shrubs, plants and vines, commonly known as nursery or greenhouse stock, not specially provided for in this Act, twenty-five per centum ad valorem.

- 253. Potatoes, twenty-five cents per bushel of sixty pounds.
- 254. Seeds: Castor beans or seeds, twenty-five cents per bushel of fifty pounds; flaxseed or linseed and other oil seeds not specially provided for in this Act, twenty-five cents per bushel of fifty-six pounds; poppy seed, fifteen cents per bushel; but no drawback shall be allowed upon oil cake made from imported seed, nor shall any allowance be made for dirt or other impurities in any seed; seeds of all kinds not specially provided for in this Act, thirty per centum ad valorem.
- 255. Straw, one dollar and fifty cents per ton.
- 256. Teazles, thirty per centum ad valorem.
- 257. Vegetables in their natural state, not specially provided for in this Act, twenty-five per centum ad valorem.

FISH:

- 258. Fish known or labeled as anchovies, sardines, sprats, brislings, sardels, or sardellen, packed in oil or otherwise, in bottles, jars, tin boxes or cans, shall be dutiable as follows: When in packages containing seven and one-half cubic inches or less, one and one-half cents per bottle, jar, box or can; containing more than seven and one-half and not more than twenty-one cubic inches, two and one-half cents per bottle, jar, box or can; containing more than twenty-one and not more than thirty-three cubic inches, five cents per bottle, jar, box or can; containing more than thirty-three and not more than seventy cubic inches, ten cents per bottle, jar, box or can; if in other packages, forty per centum ad valorem. All other fish, (except shellfish), in tin packages, thirty per centum ad valorem; fish in packages containing less than one-half barrel, and not specially provided for in this Act, thirty per centum ad valorem.
- 259. Fresh-water fish not specially provided for in this Act, one-fourth of one cent per pound.
- 260. Herrings, pickled or salted, one-half of one cent per pound; herrings, fresh, one-fourth of one cent per pound.
- 261. Fish, fresh, smoked, dried, salted, pickled, frozen, packed in ice or otherwise prepared for preservation, not specially provided for in this Act, three-fourths of one cent per pound; fish, skinned or boned, one and one-fourth cents per pound; mackerel, halibut or salmon, fresh, pickled or salted, one cent per pound.

FRUITS AND NUTS:

- 262. Apples, peaches, quinces, cherries, plums, and pears, green or ripe, twenty-five cents per bushel; apples, peaches, pears, and other edible fruits, including berries, when dried, desiccated, evaporated or prepared in any manner, not specially provided for in this Act, two cents per pound; berries, edible, in their natural condition, one cent per quart; cranberries, twenty-five per centum ad valorem.
- 263. Comfits, sweetmeats, and fruits preserved in sugar, molasses, spirits, or in their own juices, not specially provided for in this

Act, one cent per pound and thirty-five per centum ad valorem; if containing over ten per centum of alcohol and not specially provided for in this Act, thirty-five per centum ad valorem and in addition two dollars and fifty cents per proof gallon on the alcohol contained therein in excess of ten per centum; jellies of all kinds, thirty-five per centum ad valorem; pineapples preserved in their own juice, twenty-five per centum ad valorem.

264. Figs, plums, prunes, and prunelles, two cents per pound; raisins and other dried grapes, two and one-half cents per pound; dates, one-half of one cent per pound; currants, Zante or other, two cents per pound; olives, green or prepared, in bottles, jars, or similar packages, twenty-five cents per gallon; in casks or otherwise than in bottles, jars, or similar packages, fifteen cents per gallon.
265. Grapes in barrels or other packages, twenty cents per cubic foot of capacity of barrels or packages.
266. Oranges, lemons, limes, grape fruit, shaddocks or pomelos, one cent per pound.
267. Orange peel or lemon peel, preserved, candied, or dried, and cocoanut meat or copra desiccated, shredded, cut, or similarly prepared, two cents per pound; citron or citron peel; preserved, candied, or dried, four cents per pound.
268. Pineapples, in barrels and other packages, seven cents per cubic foot of the capacity of barrels or packages; in bulk, seven dollars per thousand.

Nuts—

269. Almonds, not shelled, four cents per pound; clear almonds, shelled, six cents per pound.
270. Filberts and walnuts of all kinds, not shelled, three cents per pound; shelled, five cents per pound.
271. Peanuts or ground beans, unshelled, one-half of one cent per pound; shelled, one cent per pound.
272. Nuts of all kinds, shelled or unshelled, not specially provided for in this Act, one cent per pound.

MEAT PRODUCTS:

273. Bacon and hams, five cents per pound.
274. Fresh beef, veal, mutton, and pork, two cents per pound.
275. Meats of all kinds, prepared or preserved, not specially provided for in this Act, twenty-five per centum ad valorem.
276. Extract of meat, not specially provided for in this Act, thirty-five cents per pound; fluid extract of meat, fifteen cents per pound, but the dutiable weight of the extract of meat and of the fluid extract of meat shall not include the weight of the package in which the same is imported.
277. Lard, two cents per pound.
278. Poultry, live, three cents per pound; dressed, five cents per pound.
279. Tallow, three-fourths of one cent per pound; wool grease, including that known commercially as degreas or brown wool grease, one-half of one cent per pound.

MISCELLANEOUS PRODUCTS:

280. Chicory-root, raw, dried, or undried, but unground, one cent per pound; chicory root, burnt or roasted, ground or granulated, or in rolls, or otherwise prepared, and not specially provided for in this Act, two and one-half cents per pound.

281. Chocolate and cocoa, prepared or manufactured, not specially provided for in this Act, valued at not over fifteen cents per pound, two and one-half cents per pound; valued above fifteen and not above twenty-four cents per pound, two and one-half cents per pound and ten per centum ad valorem; valued above twenty-four and not above thirty-five cents per pound, five cents per pound and ten per centum ad valorem; valued above thirty-five cents per pound, fifty per centum ad valorem. The weight and value of all coverings, other than plain wooden, shall be included in the dutiable weight and value of the foregoing merchandise; powdered cocoa, unsweetened, five cents per pound.
282. Cocoa-butter or cocoa-butterine, three and one-half cents per pound.
283. Dandelion-root and acorns prepared, and articles used as coffee, or as substitutes for coffee not specially provided for in this Act, two and one-half cents per pound.
284. Salt in bags, sacks, barrels, or other packages, twelve cents per one hundred pounds; in bulk, eight cents per one hundred pounds: *Provided*, That imported salt in bond may be used in curing fish taken by vessels licensed to engage in the fisheries, and in curing fish on the shores of the navigable waters of the United States, under such regulations as the Secretary of the Treasury shall prescribe; and upon proof that the salt has been used for either of the purposes stated in this proviso, the duties on the same shall be remitted: *Provided further*, That exporters of meats, whether packed or smoked, which have been cured in the United States with imported salt, shall, upon satisfactory proof, under such regulations as the Secretary of the Treasury shall prescribe, that such meats have been cured with imported salt, have refunded to them from the Treasury the duties paid on the salt so used in curing such exported meats, in amounts not less than one hundred dollars.
285. Starch, including all preparations, from whatever substance produced, fit for use as starch, one and one-half cents per pound.
286. Dextrine, burnt starch, gum substitute, or British gum, two cents per pound.
287. Spices: Mustard, ground or prepared, in bottles or otherwise, ten cents per pound; capsicum or red pepper, or cayenne pepper, two and one-half cents per pound; sage, one cent per pound; spices not specially provided for in this Act, three cents per pound.
288. Vinegar, seven and one-half cents per proof gallon. The standard proof for vinegar shall be taken to be that strength which requires thirty-five grains of bicarbonate of potash to neutralize one ounce troy of vinegar.

SCHEDULE H.—SPIRITS, WINES, AND OTHER BEVERAGES.

SPIRITS.

289. Brandy and other spirits manufactured or distilled from grain or other materials, and not specially provided for in this Act, two dollars and twenty-five cents per proof gallon.
290. Each and every gauge or wine gallon of measurement shall be counted as at least one proof gallon; and the standard for determining

the proof of brandy and other spirits or liquors of any kind imported shall be the same as that which is defined in the laws relating to internal revenue: *Provided*, That it shall be lawful for the Secretary of the Treasury, in his discretion, to authorize the ascertainment of the proof of wines, cordials, or other liquors, by distillation or otherwise, in cases where it is impracticable to ascertain such proof by the means prescribed by existing law or regulations: *And provided further*, That any brandy or other spirituous or distilled liquors imported in any sized cask, bottle, jug, or other package, of or from any country, dependency, or province under whose laws similar sized casks, bottles, jugs, or other packages of distilled spirits, wine, or other beverage put up or filled in the United States are denied entrance into such country, dependency, or province, shall be forfeited to the United States; and any brandy or other spirituous or distilled liquor imported in a cask of less capacity than ten gallons from any country shall be forfeited to the United States.

291. On all compounds or preparations of which distilled spirits are a component part of chief value, there shall be levied a duty not less than that imposed upon distilled spirits.

292. Cordials, liqueurs, arrack, absinthe, kirschwasser, ratafia, and other spirituous beverages or bitters of all kinds, containing spirits, and not specially provided for in this Act, two dollars and twenty-five cents per proof gallon.

293. No lower rate or amount of duty shall be levied, collected, and paid on brandy, spirits, and other spirituous beverages than that fixed by law for the description of first proof; but it shall be increased in proportion for any greater strength than the strength of first proof, and all imitations of brandy or spirits or wines imported by any names whatever shall be subject to the highest rate of duty provided for the genuine articles respectively intended to be represented, and in no case less than one dollar and fifty cents per gallon.

294. Bay rum or bay water, whether distilled or compounded, of first proof, and in proportion for any greater strength than first proof, one dollar and fifty cents per gallon.

WINES.

295. Champagne and all other sparkling wines, in bottles containing each not more than one quart and more than one pint, eight dollars per dozen; containing not more than one pint each and more than one-half pint, four dollars per dozen; containing one-half pint each or less, two dollars per dozen; in bottles or other vessels containing more than one quart each, in addition to eight dollars per dozen bottles, on the quantity in excess of one quart, at the rate of two dollars and fifty cents per gallon; but no separate or additional duty shall be levied on the bottles.

296. Still wines, including ginger wine or ginger cordial and vermouth, in casks or packages other than bottles or jugs, if containing fourteen per centum or less of absolute alcohol, forty cents per gallon; if containing more than fourteen per centum of absolute alcohol, fifty cents per gallon. In bottles or jugs, per case of one dozen bottles or jugs, containing each not more than one quart and more than one pint, or twenty-four bottles or jugs containing each not more than one pint, one dollar and sixty cents per case; and any excess beyond these quantities found in such bottles or jugs shall be subject to a duty of five cents per pint or fractional part thereof, but no separate or additional

duty shall be assessed on the bottles or jugs: *Provided*, That any wines, ginger cordial, or vermouth imported containing more than twenty-four per centum of alcohol shall be classed as spirits and pay duty accordingly: *And provided further*, That there shall be no constructive or other allowance for breakage, leakage, or damage on wines, liquors, cordials, or distilled spirits. Wines, cordials, brandy, and other spirituous liquors, including bitters of all kinds, and bay rum or bay water, imported in bottles or jugs, shall be packed in packages containing not less than one dozen bottles or jugs in each package, or duty shall be paid as if such package contained at least one dozen bottles or jugs, and in addition thereto, duty shall be collected on the bottles or jugs at the rates which would be chargeable thereon if imported empty. The percentage of alcohol in wines and fruit juices shall be determined in such manner as the Secretary of the Treasury shall by regulation prescribe.

297. Ale, porter, and beer, in bottles or jugs, forty cents per gallon, but no separate or additional duty shall be assessed on the bottles or jugs; otherwise than in bottles or jugs, twenty cents per gallon.

298. Malt extract, fluid, in casks, twenty cents per gallon; in bottles or jugs, forty cents per gallon; solid or condensed, forty per centum ad valorem.

299. Cherry juice and prune juice, or prune wine, and other fruit juices not specially provided for in this Act, containing no alcohol or not more than eighteen per centum of alcohol, sixty cents per gallon; if containing more than eighteen per centum of alcohol, sixty cents per gallon, and in addition thereto two dollars and seven cents per proof gallon on the alcohol contained therein.

300. Ginger ale, ginger beer, lemonade, soda water, and other similar beverages containing no alcohol in plain green or colored, molded or pressed, glass bottles, containing each not more than three-fourths of a pint, eighteen cents per dozen; containing more than three-fourths of a pint each and not more than one and one-half pints, twenty-eight cents per dozen; but no separate or additional duty shall be assessed on the bottles; if imported otherwise than in plain green or colored, molded or pressed, glass bottles, or in such bottles containing more than one and one-half pints each, fifty cents per gallon and in addition thereto, duty shall be collected on the bottles, or other coverings, at the rates which would be chargeable thereon if imported empty.

301. All mineral waters and all imitations of natural mineral waters, and all artificial mineral waters not specially provided for in this Act, in green or colored glass bottles, containing not more than one pint, twenty cents per dozen bottles. If containing more than one pint and not more than one quart, thirty cents per dozen bottles. But no separate duty shall be assessed upon the bottles. If imported otherwise than in plain green or colored glass bottles, or if imported in such bottles containing more than one quart, twenty-four cents per gallon, and in addition thereto duty shall be collected upon the bottles or other covering at the same rates that would be charged thereon if imported empty or separately.

SCHEDULE I.—COTTON MANUFACTURES.

302. Cotton thread and carded yarn, warps or warp yarn, in singles, whether on beams or in bundles, skeins or cops, or in any other form, except spool thread of cotton hereinafter provided for, not colored, bleached, dyed, or advanced beyond the condition of singles by group-

ing or twisting two or more single yarns together, three cents per pound on all numbers up to and including number fifteen, one-fifth of a cent per number per pound on all numbers exceeding number fifteen and up to and including number thirty, and one-fourth of a cent per number per pound on all numbers exceeding number thirty; colored, bleached, dyed, combed or advanced beyond the condition of singles by grouping or twisting two or more single yarns together, whether on beams, or in bundles, skeins or cops, or in any other form, except spool thread of cotton hereinafter provided for, six cents per pound on all numbers up to and including number twenty, and on all numbers exceeding number twenty and up to number eighty, one-fourth of one cent per number per pound; on number eighty and above, three-tenths of one cent per number per pound; cotton card laps, roping, sliver or roving, forty-five per centum ad valorem.

303. Spool thread of cotton, including crochet, darning, and embroidery cottons on spools or reels, containing on each spool or reel not exceeding one hundred yards of thread, six cents per dozen; exceeding one hundred yards on each spool or reel, for every additional hundred yards or fractional part thereof in excess of one hundred, six cents per dozen spools or reels; if otherwise than on spools or reels, one-half of one cent for each one hundred yards or fractional part thereof: *Provided*, That in no case shall the duty be assessed upon a less number of yards than is marked on the spools or reels.

304. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, and not exceeding fifty threads to the square inch, counting the warp and filling, one cent per square yard; if bleached, one and one-fourth cents per square yard; if dyed, colored, stained, painted, or printed, two cents per square yard.

305. Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, exceeding fifty and not exceeding one hundred threads to the square inch, counting the warp and filling, and not exceeding six square yards to the pound, one and one-fourth cents per square yard; exceeding six and not exceeding nine square yards to the pound, one and one-half cents per square yard; exceeding nine square yards to the pound, one and three-fourths cents per square yard; if bleached, and not exceeding six square yards to the pound, one and one-half cents per square yard; exceeding six and not exceeding nine square yards to the pound, one and three-fourths cents per square yard; exceeding nine square yards to the pound, two and one-fourth cents per square yard; if dyed, colored, stained, painted, or printed, and not exceeding six square yards to the pound, two and three-fourths cents per square yard; exceeding six and not exceeding nine square yards to the pound, three and one-fourth cents per square yard; exceeding nine square yards to the pound, three and one-half cents per square yard: *Provided*, That on all cotton cloth not exceeding one hundred threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over seven cents per square yard, twenty-five per centum ad valorem; bleached, valued at over nine cents per square yard, twenty-five per centum ad valorem; and dyed, colored, stained, painted, or printed, valued at over twelve cents per square yard, there shall be levied, collected, and paid a duty of thirty per centum ad valorem.

306. Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, exceeding one hundred and not exceeding one hundred and fifty threads to the square inch, counting the warp and filling, and not exceeding four square yards to the pound, one and one-half cents per

square yard; exceeding four and not exceeding six square yards to the pound, two cents per square yard; exceeding six and not exceeding eight square yards to the pound, two and one-half cents per square yard; exceeding eight square yards to the pound, two and three-fourths cents per square yard; if bleached, and not exceeding four square yards to the pound, two and one-half cents per square yard; exceeding four and not exceeding six square yards to the pound, three cents per square yard; exceeding six and not exceeding eight square yards to the pound, three and one-half cents per square yard; exceeding eight square yards to the pound, three and three-fourths cents per square yard; if dyed, colored, stained, painted, or printed, and not exceeding four square yards to the pound, three and one-half cents per square yard; exceeding four and not exceeding six square yards to the pound, three and three-fourths cents per square yard; exceeding six and not exceeding eight square yards to the pound, four and one-fourth cents per square yard; exceeding eight square yards to the pound, four and one-half cents per square yard: *Provided*, That on all cotton cloth exceeding one hundred and not exceeding one hundred and fifty threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over nine cents per square yard, thirty per centum ad valorem; bleached, valued at over eleven cents per square yard, thirty-five per centum ad valorem; dyed, colored, stained, painted, or printed, valued at over twelve and one-half cents per square yard, there shall be levied, collected, and paid a duty of thirty-five per centum ad valorem.

307. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, exceeding one hundred and fifty and not exceeding two hundred threads to the square inch, counting the warp and filling, and not exceeding three and one-half square yards to the pound, two cents per square yard; exceeding three and one-half and not exceeding four and one-half square yards to the pound, two and three-fourths cents per square yard; exceeding four and one-half and not exceeding six square yards to the pound, three cents per square yard; exceeding six square yards to the pound, three and one-half cents per square yard; if bleached, and not exceeding three and one-half square yards to the pound, two and three-fourths cents per square yard; exceeding three and one-half and not exceeding four and one-half square yards to the pound, three and one-half cents per square yard; exceeding four and one-half and not exceeding six square yards to the pound, four cents per square yard; exceeding six square yards to the pound, four and one-fourth cents per square yard; if dyed, colored, stained, painted, or printed, and not exceeding three and one-half square yards to the pound, four and one-fourth cents per square yard; exceeding three and one-half and not exceeding four and one-half square yards to the pound, four and one-half cents per square yard; exceeding four and one-half and not exceeding six square yards to the pound, four and three-fourths cents per square yard; exceeding six square yards to the pound, five cents per square yard: *Provided*, That on all cotton cloth exceeding one hundred and fifty and not exceeding two hundred threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over ten cents per square yard, thirty-five per centum ad valorem; bleached, valued at over twelve cents per square yard, thirty-five per centum ad valorem; dyed, colored, stained, painted, or printed, valued at over twelve and one-half cents per square yard, there shall be levied, collected, and paid a duty of forty per centum ad valorem.

308. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, exceeding two hundred and not exceeding three hundred threads to the square inch, counting the warp and filling, and not exceeding two and one-half square yards to the pound, three and one-half cents per square yard; exceeding two and one-half and not exceeding three and one-half square yards to the pound, four cents per square yard; exceeding three and one-half and not exceeding five square yards to the pound, four and one-half cents per square yard; exceeding five square yards to the pound, five cents per square yard; if bleached, and not exceeding two and one-half square yards to the pound, four and one-half cents per square yard; exceeding two and one-half and not exceeding three and one-half square yards to the pound, five cents per square yard; exceeding three and one-half and not exceeding five square yards to the pound, five and one-half cents per square yard; exceeding five square yards to the pound, six cents per square yard; if dyed, colored, stained, painted, or printed, and not exceeding three and one-half square yards to the pound, six and one-fourth cents per square yard; exceeding three and one-half square yards to the pound, seven cents per square yard: *Provided*, That on all such cotton cloths not bleached, dyed, colored, stained, painted, or printed, valued at over twelve and one-half cents per square yard; bleached, valued at over fifteen cents per square yard; and dyed, colored, stained, painted, or printed, valued at over seventeen and one-half cents per square yard, there shall be levied, collected, and paid a duty of forty per centum ad valorem.

309. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, exceeding three hundred threads to the square inch, counting the warp and filling, and not exceeding two square yards to the pound, four cents per square yard; exceeding two and not exceeding three square yards to the pound, four and one-half cents per square yard; exceeding three and not exceeding four square yards to the pound, five cents per square yard; exceeding four square yards to the pound, five and one-half cents per square yard; if bleached and not exceeding two square yards to the pound, five cents per square yard; exceeding two and not exceeding three square yards to the pound, five and one-half cents per square yard; exceeding three and not exceeding four square yards to the pound, six cents per square yard; exceeding four square yards to the pound, six and one-half cents per square yard; if dyed, colored, stained, painted, or printed, and not exceeding three square yards to the pound, six and one-half cents per square yard; exceeding three square yards to the pound, eight cents per square yard: *Provided*, That on all such cotton cloths not bleached, dyed, colored, stained, painted, or printed, valued at over fourteen cents per square yard; bleached, valued at over sixteen cents per square yard; and dyed, colored, stained, painted, or printed, valued at over twenty cents per square yard, there shall be levied, collected, and paid a duty of forty per centum ad valorem.

310. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, unless otherwise specially provided for, shall be held to include all woven fabrics of cotton in the piece or otherwise, whether figured, fancy, or plain, the warp and filling threads of which can be counted by unraveling or other practicable means.

311. Cloth, composed of cotton or other vegetable fiber and silk, whether known as silk-striped sleeve linings, silk stripes, or otherwise, of which cotton is the component material of chief value, eight cents per square yard and thirty per centum ad valorem: *Provided*, That

no such cloth shall pay a less rate of duty than fifty per centum ad valorem. Cotton cloth, filled or coated, three cents per square yard and twenty per centum ad valorem.

312. Handkerchiefs or mufflers composed of cotton, whether in the piece or otherwise and whether finished or unfinished, if not hemmed, or hemmed only, shall pay the same rate of duty on the cloth contained therein as is imposed on cotton cloth of the same description, weight, and count of threads to the square inch; but such handkerchiefs or mufflers shall not pay a less rate of duty than forty-five per centum ad valorem. If such handkerchiefs or mufflers are hemstitched, or imitation hemstitched, or revered, or have drawn threads, they shall pay a duty of ten per centum ad valorem in addition to the duty hereinbefore prescribed, and in no case less than fifty-five per centum ad valorem; if such handkerchiefs or mufflers are embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or are tamboured, appliqued, or trimmed wholly or in part with lace or with tucking or insertion, they shall not pay a less rate of duty than sixty per centum ad valorem.

313. Cotton cloth in which other than the ordinary warp and filling threads have been introduced in the process of weaving to form a figure, whether known as lappets or otherwise, and whether unbleached, bleached, dyed, colored, stained, painted, or printed, shall pay, in addition to the duty herein provided for other cotton cloth of the same description, or condition, weight, and count of threads to the square inch, one cent per square yard if valued at not more than seven cents per square yard, and two cents per square yard if valued at more than seven cents per square yard.

314. Clothing, ready-made, and articles of wearing apparel of every description, including neck-ties or neckwear composed of cotton or other vegetable fiber, or of which cotton or other vegetable fiber is the component material of chief value, made up or manufactured, wholly or in part, by the tailor, seamstress, or manufacturer, and not otherwise provided for in this Act, fifty per centum ad valorem: *Provided*, That any outside garment provided for in this paragraph having india-rubber as a component material shall pay a duty of fifteen cents per pound and fifty per centum ad valorem.

315. Plushes, velvets, velveteens, corduroys, and all pile fabrics, cut or uncut; any of the foregoing composed of cotton or other vegetable fiber, not bleached, dyed, colored, stained, painted, or printed, nine cents per square yard and twenty-five per centum ad valorem; if bleached, dyed, colored, stained, painted, or printed, twelve cents per square yard and twenty-five per centum ad valorem: *Provided*, That corduroys composed of cotton or other vegetable fiber, weighing seven ounces or over per square yard, shall pay a duty of eighteen cents per square yard and twenty-five per centum ad valorem: *Provided further*, That manufactures or articles in any form including such as are commonly known as bias dress facings or skirt bindings, made or cut from plushes, velvets, velveteens, corduroys, or other pile fabrics composed of cotton or other vegetable fiber, shall be subject to the foregoing rates of duty and in addition thereto ten per centum ad valorem: *Provided further*, That none of the articles or fabrics provided for in this paragraph shall pay a less rate of duty than forty-seven and one-half per centum ad valorem.

316. Curtains, table covers, and all articles manufactured of cotton chenille or of which cotton chenille is the component material of chief value, fifty per centum ad valorem.

317. Stockings, hose and half-hose, made on knitting machines or frames, composed of cotton or other vegetable fiber, and not otherwise specially provided for in this Act, thirty per centum ad valorem.

318. Stockings, hose and half-hose, selvedged, fashioned, narrowed, or shaped wholly or in part by knitting machines or frames, or knit by hand, including such as are commercially known as seamless stockings, hose and half-hose, and clocked stockings, hose or half-hose, all of the above composed of cotton or other vegetable fiber, finished or unfinished, valued at not more than one dollar per dozen pairs, fifty cents per dozen pairs; valued at more than one dollar per dozen pairs, and not more than one dollar and fifty cents per dozen pairs, sixty cents per dozen pairs; valued at more than one dollar and fifty cents per dozen pairs, and not more than two dollars per dozen pairs, seventy cents per dozen pairs; valued at more than two dollars per dozen pairs, and not more than three dollars per dozen pairs, one dollar and twenty cents per dozen pairs; valued at more than three dollars per dozen pairs and not more than five dollars per dozen pairs, two dollars per dozen pairs; and in addition thereto, upon all the foregoing, fifteen per centum ad valorem; valued at more than five dollars per dozen pairs, fifty-five per centum ad valorem.

319. Shirts and drawers, pants, vests, union suits, combination suits, tights, sweaters, corset covers and all underwear of every description made wholly or in part on knitting machines or frames, or knit by hand, finished or unfinished, not including stockings, hose and half-hose, composed of cotton or other vegetable fiber, valued at not more than one dollar and fifty cents per dozen, sixty cents per dozen and fifteen per centum ad valorem; valued at more than one dollar and fifty cents per dozen and not more than three dollars per dozen, one dollar and ten cents per dozen, and in addition thereto fifteen per centum ad valorem; valued at more than three dollars per dozen and not more than five dollars per dozen, one dollar and fifty cents per dozen, and in addition thereto twenty-five per centum ad valorem; valued at more than five dollars per dozen and not more than seven dollars per dozen, one dollar and seventy-five cents per dozen, and in addition thereto thirty-five per centum ad valorem; valued at more than seven dollars per dozen and not more than fifteen dollars per dozen, two dollars and twenty-five cents per dozen, and in addition thereto thirty-five per centum ad valorem; valued above fifteen dollars per dozen, fifty per centum ad valorem.

320. Bandings, beltings, bindings, bone casings, cords, garters, lining for bicycle tires, ribbons, suspenders and braces, tapes, tubing, and webs or webbing, any of the foregoing articles made of cotton or other vegetable fiber, whether composed in part of india-rubber or otherwise, and not embroidered by hand or machinery, forty-five per centum ad valorem; spindle banding, woven, braided or twisted lamp, stove, or candle wicking made of cotton or other vegetable fiber, ten cents per pound and fifteen per centum ad valorem; loom harness or healds made of cotton or other vegetable fiber, or of which cotton or other vegetable fiber is the component material of chief value, fifty cents per pound and twenty-five per centum ad valorem; boot, shoe, and corset lacings made of cotton or other vegetable fiber, twenty-five cents per pound and fifteen per centum ad valorem; labels, for garments or other articles, composed of cotton or other vegetable fiber, fifty cents per pound and thirty per centum ad valorem.

321. Cotton table damask, forty per centum ad valorem; cotton duck, thirty-five per centum ad valorem.

322. All manufactures of cotton not specially provided for in this Act, forty-five per centum ad valorem.

SCHEDULE J.—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF.

323. Flax straw, five dollars per ton.

324. Flax, not hackled or dressed, one cent per pound.

325. Flax, hackled, known as "dressed line," three cents per pound.

326. Tow of flax, twenty dollars per ton.

327. Hemp, and tow of hemp, twenty dollars per ton; hemp, hackled, known as "line of hemp," forty dollars per ton.

328. Single yarns made of jute, not finer than five lea or number, one cent per pound and ten per centum ad valorem; if finer than five lea or number, thirty-five per centum ad valorem.

329. Cables and cordage, composed of istle, Tampico fiber, manila, sisal grass or sunn, or a mixture of these or any of them, one cent per pound; cables and cordage made of hemp, tarred or untarred, two cents per pound.

330. Threads, twines, or cords, made from yarn not finer than five lea or number, composed of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, thirteen cents per pound; if made from yarn finer than five lea or number, three-fourths of one cent per pound additional for each lea or number, or part of a lea or number, in excess of five.

331. Single yarns in the gray, made of flax, hemp, or ramie, or a mixture of any of them, not finer than eight lea or number, seven cents per pound; finer than eight lea or number and not finer than eighty lea or number, forty per centum ad valorem; single yarns, made of flax, hemp, or ramie, or a mixture of any of them, finer than eighty lea or number, fifteen per centum ad valorem.

332. Flax gill netting, nets, webs, and seines shall pay the same duty per pound as is imposed in this schedule upon the thread, twine, or cord of which they are made, and in addition thereto twenty-five per centum ad valorem.

333. Floor mattings, plain, fancy or figured, manufactured from straw, round or split, or other vegetable substances not otherwise provided for, including what are commonly known as Chinese, Japanese, and India straw mattings, valued at not exceeding ten cents per square yard, three cents per square yard; valued at exceeding ten cents per square yard, seven cents per square yard and twenty-five per centum ad valorem.

334. Carpets, carpeting, mats and rugs made of flax, hemp, jute, or other vegetable fiber (except cotton), valued at not exceeding fifteen cents per square yard, five cents per square yard and thirty-five per centum ad valorem; valued above fifteen cents per square yard, ten cents per square yard and thirty-five per centum ad valorem.

335. Hydraulic hose, made in whole or in part of flax, hemp, ramie, or jute, twenty cents per pound.

336. Tapes composed wholly or in part of flax, woven with or without metal threads, on reels, spools, or otherwise, and designed expressly for use in the manufacture of measuring tapes, forty per centum ad valorem.

337. Oilcloth for floors, stamped, painted, or printed, including linoleum or corticene, figured or plain, and all other oilcloth (except silk oilcloth) under twelve feet in width not specially provided for herein, eight cents per square yard and fifteen per centum ad valorem; oil

cloth for floors and linoleum or corticene, twelve feet and over in width, inlaid linoleum or corticene, and cork carpets, twenty cents per square yard and twenty per centum ad valorem; waterproof cloth, composed of cotton or other vegetable fiber, whether composed in part of india-rubber or otherwise, ten cents per square yard and twenty per centum ad valorem.

338. Shirt collars and cuffs, composed of cotton, forty-five cents per dozen pieces and fifteen per centum ad valorem; composed in whole or in part of linen, forty cents per dozen pieces and twenty per centum ad valorem.

339. Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; handkerchiefs, napkins, wearing apparel, and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and veilings, etamines, vitrages, neck ruffings, ruchings, tuckings, flutings, and quillings; embroideries and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands; wearing apparel, handkerchiefs, and other articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tam-boured or appliquéed articles, fabrics or wearing apparel; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of ruffings, tuckings, or ruchings; all of the foregoing, composed wholly or in chief value of flax, cotton, or other vegetable fiber, and not elsewhere specially provided for in this Act, whether composed in part of india rubber or otherwise, sixty per centum ad valorem: *Provided*, That no wearing apparel or other article or textile fabric, when embroidered by hand or machinery, shall pay duty at a less rate than that imposed in any schedule of this Act upon any embroideries of the materials of which such embroidery is composed.

340. Lace window curtains, pillow shams, and bed sets, finished or unfinished, made on the Nottingham lace-curtain machine or on the Nottingham warp machine, and composed of cotton or other vegetable fiber, when counting five points or spaces between the warp threads to the inch, one cent per square yard; when counting more than five such points or spaces to the inch, one-half of one cent per square yard in addition for each such point or space to the inch in excess of five; and in addition thereto, on all the foregoing articles in this paragraph, twenty per centum ad valorem: *Provided*, That none of the above-named articles shall pay a less rate of duty than fifty per centum ad valorem.

341. Plain woven fabrics of single jute yarns, by whatever name known, not exceeding sixty inches in width, weighing not less than six ounces per square yard and not exceeding thirty threads to the square inch, counting the warp and filling, five-eighths of one cent per pound and fifteen per centum ad valorem; if exceeding thirty and not exceeding fifty-five threads to the square inch, counting the warp and filling, seven-eighths of one cent per pound and fifteen per centum ad valorem.

342. All pile fabrics of which flax is the component material of chief value, sixty per centum ad valorem.

343. Bags or sacks made from plain woven fabrics, of single jute yarns, not dyed, colored, stained, painted, printed, or bleached, and not exceeding thirty threads to the square inch, counting the warp and filling, seven-eighths of one cent per pound and fifteen per centum ad valorem.

344. Bagging for cotton, gunny cloth, and similar fabrics, suitable for covering cotton, composed of single yarns made of jute, jute butts,

or hemp, not bleached, dyed, colored, stained, painted, or printed, not exceeding sixteen threads to the square inch, counting the warp and filling, and weighing not less than fifteen ounces per square yard, six-tenths of one cent per square yard.

345. Handkerchiefs composed of flax, hemp, or ramie, or of which these substances, or either of them, is the component material of chief value, whether in the piece or otherwise, and whether finished or unfinished, not hemmed or hemmed only, fifty per centum ad valorem; if hemstitched, or imitation hemstitched, or revered, or with drawn threads, but not embroidered or initialed, fifty-five per centum ad valorem.

346. Woven fabrics or articles not specially provided for in this Act, composed of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, weighing four and one-half ounces or more per square yard, when containing not more than sixty threads to the square inch, counting the warp and filling, one and three-fourths cents per square yard; containing more than sixty and not more than one hundred and twenty threads to the square inch, two and three-fourths cents per square yard; containing more than one hundred and twenty and not more than one hundred and eighty threads to the square inch, six cents per square yard; containing more than one hundred and eighty threads to the square inch, nine cents per square yard, and in addition thereto, on all the foregoing, thirty per centum ad valorem: *Provided*, That none of the foregoing articles in this paragraph shall pay a less rate of duty than fifty per centum ad valorem. Woven fabrics of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, including such as is known as shirting cloth, weighing less than four and one-half ounces per square yard and containing more than one hundred threads to the square inch, counting the warp and filling, thirty-five per centum ad valorem.

347. All manufactures of flax, hemp, ramie, or other vegetable fiber, or of which these substances, or either of them, is the component material of chief value, not specially provided for in this Act, forty-five per centum ad valorem.

SCHEDULE K.—WOOL AND MANUFACTURES OF WOOL.

348. All wools, hair of the camel, goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, into the three following classes:

349. Class one, that is to say, merino, mestiza, metz, or metis wools, or other wools of Merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool or butcher's wool, and such as have been heretofore usually imported into the United States from Buenos Ayres, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and all wools not hereinafter included in classes two and three.

350. Class two, that is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the camel, Angora goat, alpaca, and other like animals.

351. Class three, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, Russian camel's hair, and all such

wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere, excepting improved wools hereinafter provided for.

352. The standard samples of all wools which are now or may be hereafter deposited in the principal custom-houses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this Act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other custom-houses of the United States when they may be needed.

353. Whenever wools of class three shall have been improved by the admixture of Merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal custom-houses of the United States, such improved wools shall be classified for duty either as class one or as class two, as the case may be.

354. The duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed. The duty on wools of the third class, if imported in condition for use in carding or spinning into yarns, or which shall not contain more than eight per cent of dirt or other foreign substance, shall be three times the duty to which they would otherwise be subjected.

355. Unwashed wools shall be considered such as shall have been shorn from the sheep without any cleansing; that is, in their natural condition. Washed wools shall be considered such as have been washed with water only on the sheep's back, or on the skin. Wools of the first and second classes washed in any other manner than on the sheep's back or on the skin shall be considered as scoured wool.

356. The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals, of class one and class two, which shall be imported in any other than ordinary condition, or which has been sorted or increased in value by the rejection of any part of the original fleece, shall be twice the duty to which it would be otherwise subject: *Provided*, That skirted wools as imported in eighteen hundred and ninety and prior thereto are hereby excepted. The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals of any class which shall be changed in its character or condition for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be twice the duty to which it would be otherwise subject. When the duty assessed upon any wool equals three times or more that which would be assessed if said wool was imported unwashed, the duty shall not be doubled on account of the wool being sorted. If any bale or package of wool or hair specified in this Act invoiced or entered as of any specified class, or claimed by the importer to be dutiable as of any specified class, shall contain any wool or hair subject to a higher rate of duty than the class so specified, the whole bale or package shall be subject to the highest rate of duty chargeable on wool of the class subject to such higher rate of duty, and if any bale or package be claimed by the importer to be shoddy, mungo, flocks, wool, hair, or other material of any class specified in this Act, and such bale contain any admixture of any one or more of said materials, or of any other material, the whole

bale or package shall be subject to duty at the highest rate imposed upon any article in said bale or package.

357. The duty upon all wools and hair of the first class shall be eleven cents per pound, and upon all wools or hair of the second class twelve cents per pound.

358. On wools of the third class and on camel's hair of the third class the value whereof shall be twelve cents or less per pound, the duty shall be four cents per pound.

359. On wools of the third class, and on camel's hair of the third class, the value whereof shall exceed twelve cents per pound, the duty shall be seven cents per pound.

360. The duty on wools on the skin shall be one cent less per pound than is imposed in this schedule on other wools of the same class and condition, the quantity and value to be ascertained under such rules as the Secretary of the Treasury may prescribe.

361. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, thirty cents per pound.

362. Shoddy, twenty-five cents per pound; noils, wool extract, yarn waste, thread waste, and all other wastes composed wholly or in part of wool, and not specially provided for in this Act, twenty cents per pound.

363. Woolen rags, mungo, and flocks, ten cents per pound.

364. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this Act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this Act.

365. On yarns made wholly or in part of wool, valued at not more than thirty cents per pound, the duty per pound shall be two and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class; valued at more than thirty cents per pound, the duty per pound shall be three and one-half times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, forty per centum ad valorem.

366. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this Act, valued at not more than forty cents per pound, the duty per pound shall be three times the duty imposed by this Act on a pound of unwashed wool of the first class; valued at above forty cents per pound and not above seventy cents per pound, the duty per pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, fifty per centum ad valorem; valued at over seventy cents per pound, the duty per pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class and fifty-five per centum ad valorem.

367. On blankets, and flannels for underwear composed wholly or in part of wool, valued at not more than forty cents per pound, the duty per pound shall be the same as the duty imposed by this Act on two pounds of unwashed wool of the first class, and in addition thereto thirty per centum ad valorem; valued at more than forty cents and not more than fifty cents per pound, the duty per pound shall be three times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto thirty-five per centum ad valorem. On blankets composed wholly or in part of wool, valued at more than fifty cents per pound, the duty per pound shall be three times the duty

imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto forty per centum ad valorem. Flannels composed wholly or in part of wool, valued at above fifty cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths, and goods of similar character and description provided by this Act: *Provided*, That on blankets over three yards in length the same duties shall be paid as on cloths.

368. On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character of which the warp consists wholly of cotton or other vegetable material with the remainder of the fabric composed wholly or in part of wool, valued at not exceeding fifteen cents per square yard, the duty shall be seven cents per square yard; valued at more than fifteen cents per square yard, the duty shall be eight cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem: *Provided*, That on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths.

369. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool, and not specially provided for in this Act, the duty shall be eleven cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem: *Provided*, That on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths.

370. On clothing, ready-made, and articles of wearing apparel of every description, including shawls whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part, felts not woven and not specially provided for in this Act, composed wholly or in part of wool, the duty per pound shall be four times the duty imposed by this Act on one pound of unwashed wool of the first class, and in addition thereto sixty per centum ad valorem.

371. Webbing, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, laces and other trimmings and articles made wholly or in part of lace, embroideries and articles embroidered by hand or machinery, head nets, netting, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether composed in part of india-rubber or otherwise, fifty cents per pound and sixty per centum ad valorem.

372. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard, and in addition thereto forty per centum ad valorem.

373. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard, and in addition thereto forty per centum ad valorem.

374. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, forty-four cents per square yard, and in addition thereto forty per centum ad valorem.

375. Velvet and tapestry velvet carpets, figured or plain, printed on

the warp or otherwise, and all carpets or carpeting of like character or description, forty cents per square yard, and in addition thereto forty per centum ad valorem.

376. Tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, twenty-eight cents per square yard, and in addition thereto forty per centum ad valorem.

377. Treble ingrain, three-ply, and all chain Venetian carpets, twenty-two cents per square yard, and in addition thereto forty per centum ad valorem.

378. Wool Dutch and two-ply ingrain carpets, eighteen cents per square yard, and in addition thereto forty per centum ad valorem.

379. Carpets of every description woven whole for rooms, and Oriental, Berlin, Aubusson, Axminster, and similar rugs, ten cents per square foot and in addition thereto, forty per centum ad valorem.

380. Druggets and bookings, printed, colored, or otherwise, twenty-two cents per square yard, and in addition thereto forty per centum ad valorem.

381. Carpets and carpeting of wool, flax, or cotton, or composed in part of either, not specially provided for in this Act, fifty per centum ad valorem.

382. Mats, rugs for floors, screens, covers, hassocks, bed sides, art squares, and other portions of carpets or carpeting made wholly or in part of wool, and not specially provided for in this Act, shall be subjected to the rate of duty herein imposed on carpets or carpetings of like character or description.

383. Whenever, in any schedule of this Act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca or other animal, whether manufactured by the woolen, worsted, felt, or any other process.

SCHEDULE L.—SILKS AND SILK GOODS.

384. Silk partially manufactured from cocoons or from waste silk, and not further advanced or manufactured than carded or combed silk, forty cents per pound.

385. Thrown silk, not more advanced than singles, tram, organzine, sewing silk, twist, floss, and silk threads or yarns of every description, except spun silk, thirty per centum ad valorem; spun silk in skeins, cops, warps, or on beams, valued at not exceeding one dollar per pound, twenty cents per pound and fifteen per centum ad valorem; valued at over one dollar per pound and not exceeding one dollar and fifty cents per pound, thirty cents per pound and fifteen per centum ad valorem; valued at over one dollar and fifty cents per pound and not exceeding two dollars per pound, forty cents per pound and fifteen per centum ad valorem; valued at over two dollars per pound and not exceeding two dollars and fifty cents per pound, fifty cents per pound and fifteen per centum ad valorem; valued at over two dollars and fifty cents per pound, sixty cents per pound and fifteen per centum ad valorem; but in no case shall the foregoing articles pay a less rate of duty than thirty-five per centum ad valorem.

386. Velvets, velvet or plush ribbons, chenilles, or other pile fabrics, cut or uncut, composed of silk, or of which silk is the component material of chief value, not specially provided for in this Act, one dollar and fifty cents per pound and fifteen per centum ad valorem;

plushes, composed of silk, or of which silk is the component material of chief value, one dollar per pound and fifteen per centum ad valorem; but in no case shall the foregoing articles pay a less rate of duty than fifty per centum ad valorem.

387. Woven fabrics in the piece, not specially provided for in this Act, weighing not less than one and one-third ounces per square yard and not more than eight ounces per square yard, and containing not more than twenty per centum in weight of silk, if in the gum, fifty cents per pound, and if dyed in the piece, sixty cents per pound; if containing more than twenty per centum and not more than thirty per centum in weight of silk, if in the gum, sixty-five cents per pound, and if dyed in the piece, eighty cents per pound; if containing more than thirty per centum and not more than forty-five per centum in weight of silk, if in the gum, ninety cents per pound, and if dyed in the piece, one dollar and ten cents per pound; if dyed in the thread or yarn and containing not more than thirty per centum in weight of silk, if black (except selvages), seventy-five cents per pound, and if other than black, ninety cents per pound; if containing more than thirty and not more than forty-five per centum in weight of silk, if black (except selvages), one dollar and ten cents per pound, and if other than black, one dollar and thirty cents per pound; if containing more than forty-five per centum in weight of silk, or if composed wholly of silk, if dyed in the thread or yarn and weighted in the dyeing so as to exceed the original weight of the raw silk, if black (except selvages), one dollar and fifty cents per pound, and if other than black, two dollars and twenty-five cents per pound; if dyed in the thread or yarn, and the weight is not increased by dyeing beyond the original weight of the raw silk, three dollars per pound; if in the gum, two dollars and fifty cents per pound; if boiled off, or dyed in the piece, or printed, three dollars per pound; if weighing less than one and one-third ounces and more than one-third of an ounce per square yard, if in the gum, or if dyed in the thread or yarn, two and one-half dollars per pound; if weighing less than one and one-third ounces and more than one-third of an ounce per square yard, if boiled off, three dollars per pound; if dyed or printed in the piece, three dollars and twenty-five cents per pound; if weighing not more than one-third of an ounce per square yard, four dollars and fifty cents per pound; but in no case shall any of the foregoing fabrics in this paragraph pay a less rate of duty than fifty per centum ad valorem.

388. Handkerchiefs or mufflers composed wholly or in part of silk, whether in the piece or otherwise, finished or unfinished, if not hemmed or hemmed only, shall pay the same rate of duty as is imposed on goods in the piece of the same description, weight, and condition as provided for in this schedule; but such handkerchiefs or mufflers shall not pay a less rate of duty than fifty per centum ad valorem; if such handkerchiefs or mufflers are hemstitched or imitation hemstitched, or reversed or have drawn threads, or are embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or are tamboured, appliqued, or are made or trimmed wholly or in part with lace, or with tucking or insertion, they shall pay a duty of ten per centum ad valorem in addition to the duty hereinbefore prescribed, and in no case less than sixty per centum ad valorem.

389. Bandings, including hat bands, beltings, bindings, bone casings, braces, cords, cords and tassels, garters, gorings, suspenders, tubings, and webs and webbings, composed wholly or in part of silk, and whether composed in part of india-rubber or otherwise, if not embroidered in any manner by hand or machinery, fifty per centum ad valorem.

390. Laces, and articles made wholly or in part of lace, edgings, insertings, galloons, chiffon or other flouncings, nets or nettings and veilings, neck ruffings, ruchings, braids, fringes, trimmings, embroideries and articles embroidered by hand or machinery, or tamboured or appliqued, clothing ready made, and articles of wearing apparel of every description, including knit goods, made up or manufactured in whole or in part by the tailor, seamstress, or manufacturer; all of the above-named articles made of silk, or of which silk is the component material of chief value, not specially provided for in this Act, and silk goods ornamented with beads or spangles, of whatever material composed, sixty per centum ad valorem: *Provided*, That any wearing apparel or other articles provided for in this paragraph (except gloves) when composed in part of india-rubber, shall be subject to a duty of sixty per centum ad valorem.

391. All manufactures of silk, or of which silk is the component material of chief value, including such as have india-rubber as a component material, not specially provided for in this Act, and all Jacquard figured goods in the piece, made on looms, of which silk is the component material of chief value, dyed in the yarn, and containing two or more colors in the filling, fifty per centum ad valorem: *Provided*, That all manufactures, of which wool is a component material, shall be classified and assessed for duty as manufactures of wool.

392. In ascertaining the weight of silk under the provisions of this schedule, the weight shall be taken in the condition in which found in the goods, without deduction therefrom for any dye, coloring matter, or other foreign substance or material.

SCHEDULE M.—PULP, PAPERS, AND BOOKS.

PULP AND PAPER:

393. Mechanically ground wood pulp, one-twelfth of one cent per pound, dry weight; chemical wood pulp, unbleached, one-sixth of one cent per pound, dry weight; bleached, one-fourth of one cent per pound, dry weight: *Provided*, That if any country or dependency shall impose an export duty on pulp wood exported to the United States, the amount of such export duty shall be added, as an additional duty, to the duties herein imposed upon wood pulp, when imported from such country or dependency.

394. Sheathing paper and roofing felt, ten per centum ad valorem.

395. Filter masse or filter stock, composed wholly or in part of wood pulp, wood flour, cotton or other vegetable fiber, one and one-half cents per pound and fifteen per centum ad valorem.

396. Printing paper, unsized, sized or glued, suitable for books and newspapers, valued at not above two cents per pound, three-tenths of one cent per pound; valued above two cents and not above two and one-half cents per pound, four-tenths of one cent per pound; valued above two and one-half cents per pound and not above three cents per pound, five-tenths of one cent per pound; valued above three cents and not above four cents per pound, six-tenths of one cent per pound; valued above four cents and not above five cents per pound, eight-tenths of one cent per pound; valued above five cents per pound, fifteen per centum ad valorem: *Provided*, That if any country or dependency shall impose an export duty upon pulp wood exported to the United States, there shall be imposed upon printing paper

when imported from such country or dependency, an additional duty of one-tenth of one cent per pound for each dollar of export duty per cord so imposed, and proportionately for fractions of a dollar of such export duty.

397. Papers commonly known as copying paper, stereotype paper, paper known as bibulous paper, tissue paper, pottery paper, and all similar papers, white, colored or printed, weighing not over six pounds to the ream of four hundred and eighty sheets, on a basis of twenty by thirty inches, and whether in reams or any other form, six cents per pound and fifteen per centum ad valorem; if weighing over six pounds and not over ten pounds to the ream, and letter copying books, whether wholly or partly manufactured, five cents per pound and fifteen per centum ad valorem; crepe paper and filtering paper, five cents per pound and fifteen per centum ad valorem.
398. Surface-coated papers not specially provided for in this Act, two and one-half cents per pound and fifteen per centum ad valorem; if printed, or wholly or partly covered with metal or its solutions, or with gelatin or flock, three cents per pound and twenty per centum ad valorem; parchment papers, two cents per pound and ten per centum ad valorem; plain basic photographic papers for albumenizing, sensitizing, or baryta coating, three cents per pound and ten per centum ad valorem; albumenized or sensitized paper or paper otherwise surface coated for photographic purposes, thirty per centum ad valorem.

MANUFACTURES OF PAPER:

399. Paper envelopes, plain, twenty per centum ad valorem; if bordered, embossed, printed, tinted, or decorated, thirty-five per centum ad valorem.
400. Lithographic prints from stone, zinc, aluminum or other material, bound or unbound (except cigar labels, flaps, and bands, lettered, or otherwise, music and illustrations when forming a part of a periodical or newspaper and accompanying the same, or if bound in or forming a part of printed books, not specially provided for in this Act), on paper or other material not exceeding eight one-thousandths of one inch in thickness, twenty cents per pound; on paper or other material exceeding eight one-thousandths of one inch and not exceeding twenty one-thousandths of one inch in thickness, and exceeding thirty-five square inches, but not exceeding four hundred square inches cutting size in dimensions, eight cents per pound; exceeding four hundred square inches cutting size in dimensions, thirty-five per centum ad valorem; prints exceeding eight one-thousandths of one inch and not exceeding twenty one-thousandths of one inch in thickness, and not exceeding thirty-five square inches cutting size in dimensions, five cents per pound; lithographic prints from stone, zinc, aluminum or other material, on cardboard or other material, exceeding twenty one-thousandths of one inch in thickness, six cents per pound; lithographic cigar labels, flaps and bands, lettered or blank, printed from stone, zinc, aluminum or other material, if printed in less than eight colors (bronze printing to be counted as two colors), but not including labels, flaps and bands printed in whole or in part in metal leaf, twenty cents

per pound. Labels, flaps and bands, if printed entirely in bronze printing, fifteen cents per pound; labels, flaps and bands printed in eight or more colors, but not including labels, flaps and bands printed in whole or in part in metal leaf, thirty cents per pound; labels, flaps and bands printed in whole or in part in metal leaf, fifty cents per pound. Books of paper or other material for children's use, containing illuminated lithographic prints, not exceeding in weight twenty-four ounces each, and all booklets and fashion magazines or periodicals printed in whole or in part by lithographic process or decorated by hand, eight cents per pound.

401. Writing, letter, note, hand-made, drawing, ledger, bond, record, tablet, and typewriter paper, weighing not less than ten pounds and not more than fifteen pounds to the ream, two cents per pound and ten per centum ad valorem; weighing more than fifteen pounds to the ream, three and one-half cents per pound and fifteen per centum ad valorem; but if any such paper is ruled, bordered, embossed, printed, or decorated in any manner, it shall pay ten per centum ad valorem in addition to the foregoing rates: *Provided*, That in computing the duty on such paper every one hundred and eighty thousand square inches shall be taken to be a ream.
402. Paper hangings and paper for screens or fireboards, and all other paper not specially provided for in this Act, twenty-five per centum ad valorem; all Jacquard designs of one line paper, or parts of such designs, finished or unfinished, thirty-five per centum ad valorem; all Jacquard designs cut on Jacquard cards, or parts of such designs, finished or unfinished, thirty-five per centum ad valorem.

MANUFACTURES OF PAPER:

403. Books of all kinds, including blank books and pamphlets, and engravings bound or unbound, photographs, etchings, maps, charts, music in books or sheets, and printed matter, all the foregoing not specially provided for in this Act, twenty-five per centum ad valorem.
404. Photograph, autograph, and scrap albums, wholly or partly manufactured, thirty-five per centum ad valorem.
405. All fancy boxes made of paper, or of which paper is the component material of chief value, or if covered with surface-coated paper, forty-five per centum ad valorem.
406. Playing cards, in packs not exceeding fifty-four cards and at a like rate for any number in excess, ten cents per pack and twenty per centum ad valorem.
407. Manufactures of paper, or of which paper is the component material of chief value, not specially provided for in this Act, thirty-five per centum ad valorem.

SCHEDULE N.—SUNDRIES.

408. Beads of all kinds, not threaded or strung, thirty-five per centum ad valorem; fabrics, nets or nettings, laces, embroideries, galloons, wearing apparel, ornaments, trimmings and other articles not specially provided for in this Act, composed wholly or in part of beads or spangles made of glass or paste, gelatin, metal, or other material, but not composed in part of wool, sixty per centum ad valorem.

409. Braids, plaits, laces, and willow sheets or squares, composed wholly of straw, chip, grass, palm leaf, willow, osier, or rattan, suitable for making or ornamenting hats, bonnets, or hoods, not bleached, dyed, colored or stained, fifteen per centum ad valorem; if bleached, dyed, colored or stained, twenty per centum ad valorem; hats, bonnets, and hoods, composed of straw, chip, grass, palm leaf, willow, osier, or rattan, whether wholly or partly manufactured, but not trimmed, thirty-five per centum ad valorem; if trimmed, fifty per centum ad valorem. But the terms "grass" and "straw" shall be understood to mean these substances in their natural form and structure, and not the separated fiber thereof.

410. Brushes, brooms and feather dusters of all kinds, and hair pencils in quills or otherwise, forty per centum ad valorem.

411. Bristles, sorted, bunched or prepared, seven and one-half cents per pound.

BUTTONS AND BUTTON FORMS:

412. Trousers buckles made wholly or partly of iron or steel, or parts thereof, valued at not more than fifteen cents per hundred, five cents per hundred; valued at more than fifteen cents per hundred and not more than fifty cents per hundred, ten cents per hundred; valued at more than fifty cents per hundred, fifteen cents per hundred; and in addition thereto on each and all of the above buckles or parts of buckles, fifteen per centum ad valorem.

413. Button forms: Lastings, mohair, cloth, silk, or other manufactures of cloth, woven or made in patterns of such size, shape, or form, or cut in such manner as to be fit for buttons exclusively, ten per centum ad valorem.

414. Buttons or parts of buttons and button molds or blanks, finished or unfinished, shall pay duty at the following rates, the line button measure being one-fortieth of one inch, namely: Buttons known commercially as agate buttons, metal trousers buttons, (except steel), and nickel bar buttons, one-twelfth of one cent per line per gross; buttons of bone, and steel trousers buttons, one-fourth of one cent per line per gross; buttons of pearl or shell, one and one-half cents per line per gross; buttons of horn, vegetable ivory, glass, or metal, not specially provided for in this Act, three-fourths of one cent per line per gross, and in addition thereto, on all the foregoing articles in this paragraph, fifteen per centum ad valorem; shoe buttons made of paper, board, papier mache, pulp or other similar material, not specially provided for in this Act, valued at not exceeding three cents per gross, one cent per gross; buttons not specially provided for in this Act, and all collar or cuff buttons and studs, fifty per centum ad valorem.

415. Coal, bituminous, and all coals containing less than ninety-two per centum of fixed carbon, and shale, sixty-seven cents per ton of twenty-eight bushels, eighty pounds to the bushel; coal slack or culm, such as will pass through a half-inch screen, fifteen cents per ton of twenty-eight bushels, eighty pounds to the bushel: *Provided*, That on all coal imported into the United States, which is afterwards used for fuel on board vessels propelled by steam and engaged in trade with foreign countries, or in trade between the Atlantic and Pacific ports of the United States, and which are registered under the laws of the United States, a drawback shall be allowed equal to the duty imposed by law upon such coal, and shall be paid under such regulations as the

Secretary of the Treasury shall prescribe; coke, twenty per centum ad valorem.

416. Cork bark, cut into squares or cubes, eight cents per pound; manufactured corks over three-fourths of an inch in diameter measured at larger end, fifteen cents per pound; three-fourths of an inch and less in diameter, measured at larger end, twenty-five cents per pound; cork, artificial, or cork substitutes, manufactured from cork waste and not otherwise provided for, eight cents per pound.

417. Dice, draughts, chessmen, chess balls, and billiard, pool, and bagatelle balls, of ivory, bone, or other materials, fifty per centum ad valorem.

418. Dolls, doll heads, toy marbles of whatever materials composed, and all other toys not composed of rubber, china, porcelain, parian, bisque, earthen or stone ware, and not specially provided for in this Act, thirty-five per centum ad valorem.

419. Emery grains, and emery manufactured, ground, pulverized, or refined, one cent per pound; emery wheels, emery files, and manufactures of which emery is the component material of chief value, twenty-five per centum ad valorem.

EXPLOSIVE SUBSTANCES:

420. Firecrackers of all kinds, eight cents per pound, the weight to include all coverings, wrappings, and packing material.

421. Fulminates, fulminating powders, and like articles, not specially provided for in this Act, thirty per centum ad valorem.

422. Gunpowder, and all explosive substances used for mining, blasting, artillery, or sporting purposes, when valued at twenty cents or less per pound, four cents per pound; valued above twenty cents per pound, six cents per pound.

423. Matches, friction or lucifer, of all descriptions, per gross of one hundred and forty-four boxes, containing not more than one hundred matches per box, eight cents per gross; when imported otherwise than in boxes containing not more than one hundred matches each, one cent per one thousand matches.

424. Percussion caps, thirty per centum ad valorem; cartridges, thirty-five per centum ad valorem; blasting caps, two dollars and thirty-six cents per one thousand caps.

425. Feathers and downs of all kinds, including bird skins or parts thereof with the feathers on, crude or not dressed, colored, or otherwise advanced or manufactured in any manner, not specially provided for in this Act, fifteen per centum ad valorem; when dressed, colored, or otherwise advanced or manufactured in any manner, including quilts of down and other manufactures of down, and also dressed and finished birds suitable for millinery ornaments, and artificial or ornamental feathers, fruits, grains, leaves, flowers, and stems or parts thereof, of whatever material composed, not specially provided for in this Act, fifty per centum ad valorem.

426. Furs, dressed on the skin but not made up into articles, and furs not on the skin, prepared for hatters' use, including fur skins car-roled, twenty per centum ad valorem.

427. Fans of all kinds, except common palm-leaf fans, fifty per centum ad valorem.

428. Gun wads of all descriptions, twenty per centum ad valorem.

429. Hair, human, if clean or drawn but not manufactured, twenty per centum ad valorem.

430. Hair, curled, suitable for beds or mattresses, ten per centum ad valorem.

431. Haircloth, known as "crinoline" cloth, ten cents per square yard; haircloth, known as "hair seating," and hair press cloth, twenty cents per square yard.

432. Hats, bonnets, or hoods, for men's, women's, boys', or children's wear, trimmed or untrimmed, including bodies, hoods, plateaux, forms, or shapes, for hats or bonnets, composed wholly or in chief value of fur of the rabbit, beaver, or other animals, valued at not more than five dollars per dozen, two dollars per dozen; valued at more than five dollars per dozen and not more than ten dollars per dozen, three dollars per dozen; valued at more than ten dollars per dozen and not more than twenty dollars per dozen, five dollars per dozen; valued at more than twenty dollars per dozen, seven dollars per dozen; and in addition thereto on all the foregoing, twenty per centum ad valorem.

433. Indurated fiber ware and manufactures of wood or other pulp, and not otherwise specially provided for, thirty-five per centum ad valorem.

JEWELRY AND PRECIOUS STONES:

434. Articles commonly known as jewelry, and parts thereof, finished or unfinished, not specially provided for in this Act, including precious stones set, pearls set or strung, and cameos in frames, sixty per centum ad valorem.

435. Diamonds and other precious stones advanced in condition or value from their natural state by cleaving, splitting, cutting, or other process, and not set, ten per centum ad valorem; imitations of diamonds or other precious stones, composed of glass or paste, not exceeding an inch in dimensions, not engraved, painted, or otherwise ornamented or decorated, and not mounted or set, twenty per centum ad valorem.

436. Pearls in their natural state, not strung or set, ten per centum ad valorem.

LEATHER, AND MANUFACTURES OF:

437. Hides of cattle, raw or uncured, whether dry, salted, or pickled, fifteen per centum ad valorem: *Provided*, That upon all leather exported, made from imported hides, there shall be allowed a drawback equal to the amount of duty paid on such hides, to be paid under such regulations as the Secretary of the Treasury may prescribe.

438. Band or belting leather, sole leather, dressed upper and all other leather, calfskins tanned or tanned and dressed, kangaroo, sheep and goat skins (including lamb and kid skins) dressed and finished, chamois and other skins and bookbinders' calfskins, all the foregoing not specially provided for in this Act, twenty per centum ad valorem; skins for morocco, tanned but unfinished, ten per centum ad valorem; patent, japanned, varnished or enameled leather, weighing not over ten pounds per dozen hides or skins, thirty cents per pound and twenty per centum ad valorem; if weighing over ten pounds and not over twenty-five pounds per dozen, thirty cents per pound and ten per centum ad valorem; if weighing over twenty-five pounds per dozen, twenty cents per pound and ten per centum ad valorem; pianoforte leather and pianoforte action leather, thirty-five per centum ad valorem; leather shoe laces, finished or unfinished, fifty cents per gross pairs and twenty per centum ad valorem; boots and shoes made of leather,

twenty-five per centum ad valorem: *Provided*, That leather cut into shoe uppers or vamps or other forms, suitable for conversion into manufactured articles, shall be classified as manufactures of leather and pay duty accordingly.

Gloves—

439. Gloves made wholly or in part of leather, whether wholly or partly manufactured, shall pay duty at the following rates, the lengths stated in each case being the extreme length when stretched to their full extent, namely:
440. Women's or children's "glace" finish, Schmaschen (of sheep origin), not over fourteen inches in length, one dollar and seventy-five cents per dozen pairs; over fourteen inches and not over seventeen inches in length, two dollars and twenty-five cents per dozen pairs; over seventeen inches in length, two dollars and seventy-five cents per dozen pairs; men's "glace" finish, Schmaschen (sheep), three dollars per dozen pairs.
441. Women's or children's "glace" finish, lamb or sheep, not over fourteen inches in length, two dollars and fifty cents per dozen pairs; over fourteen and not over seventeen inches in length, three dollars and fifty cents per dozen pairs; over seventeen inches in length, four dollars and fifty cents per dozen pairs; men's "glace" finish, lamb or sheep, four dollars per dozen pairs.
442. Women's or children's "glace" finish, goat, kid, or other leather than of sheep origin, not over fourteen inches in length, three dollars per dozen pairs; over fourteen and not over seventeen inches in length, three dollars and seventy-five cents per dozen pairs; over seventeen inches in length, four dollars and seventy-five cents per dozen pairs; men's "glace" finish, kid, goat, or other leather than of sheep origin, four dollars per dozen pairs.
443. Women's or children's, of sheep origin, with exterior grain surface removed, by whatever name known, not over seventeen inches in length, two dollars and fifty cents per dozen pairs; over seventeen inches in length, three dollars and fifty cents per dozen pairs; men's, of sheep origin, with exterior surface removed, by whatever name known, four dollars per dozen pairs.
444. Women's or children's kid, goat, or other leather than of sheep origin, with exterior grain surface removed, by whatever name known, not over fourteen inches in length, three dollars per dozen pairs; over fourteen inches and not over seventeen inches in length, three dollars and seventy-five cents per dozen pairs; over seventeen inches in length, four dollars and seventy-five cents per dozen pairs; men's, goat, kid, or other leather than of sheep origin, with exterior grain surface removed, by whatever name known, four dollars per dozen pairs.
445. In addition to the foregoing rates there shall be paid the following cumulative duties: On all leather gloves, when lined, one dollar per dozen pairs; on all pique or pique seam gloves, forty cents per dozen pairs; on all gloves stitched or embroidered, with more than three single strands or cords, forty cents per dozen pairs.
446. Glove trunks, with or without the usual accompanying pieces, shall pay seventy-five per centum of the duty provided for the gloves in the fabrication of which they are suitable.

447. Harness, saddles and saddlery, or parts of either, in sets or in parts, finished or unfinished, forty-five per centum ad valorem.

MISCELLANEOUS MANUFACTURES:

448. Manufactures of amber, asbestos, bladders, cork, catgut or whip gut or worm gut, or wax, or of which these substances or either of them is the component material of chief value, not specially provided for in this Act, twenty-five per centum ad valorem.
449. Manufactures of bone, chip, grass, horn, india-rubber, palm leaf, straw, weeds, or whalebone, or of which these substances or either of them is the component material of chief value, not specially provided for in this Act, thirty per centum ad valorem; but the terms "grass" and "straw" shall be understood to mean these substances in their natural form and structure, and not the separated fiber thereof.
450. Manufactures of leather, finished or unfinished, manufactures of fur, gelatin, gutta-percha, human hair, ivory, vegetable ivory, mother-of-pearl and shell, plaster of paris, papier mâché, and vulcanized india-rubber known as "hard rubber," or of which these substances or either of them is the component material of chief value, not specially provided for in this Act, and shells engraved, cut, ornamented, or otherwise manufactured, thirty-five per centum ad valorem.
451. Masks, composed of paper or pulp, thirty-five per centum ad valorem.
452. Matting made of cocoa fiber or rattan, six cents per square yard; mats made of cocoa fiber or rattan, four cents per square foot.
453. Musical instruments or parts thereof, pianoforte actions and parts thereof, strings for musical instruments not otherwise enumerated, cases for musical instruments, pitch pipes, tuning forks, tuning hammers, and metronomes; strings for musical instruments, composed wholly or in part of steel or other metal, all the foregoing, forty-five per centum ad valorem.
454. Paintings in oil or water colors, pastels, pen and ink drawings, and statuary, not specially provided for in this Act, twenty per centum ad valorem; but the term "statuary" as used in this Act shall be understood to include only such statuary as is cut, carved, or otherwise wrought by hand from a solid block or mass of marble, stone, or alabaster, or from metal, and as is the professional production of a statuary or sculptor only.
455. Peat moss, one dollar per ton.
456. Pencils of paper or wood filled with lead or other material, and pencils of lead, forty-five cents per gross and twenty-five per centum ad valorem; slate pencils, covered with wood, thirty-five per centum ad valorem; all other slate pencils, three cents per one hundred.
457. Pencil leads not in wood, ten per centum ad valorem.
458. Photographic dry plates or films, twenty-five per centum ad valorem.
459. Pipes and smokers' articles: Common tobacco pipes and pipe bowls made wholly of clay, valued at not more than forty cents per gross, fifteen cents per gross; other tobacco pipes and pipe bowls of clay, fifty cents per gross and twenty-five per centum ad valorem; other pipes and pipe bowls of whatever material composed, and all smokers' articles whatsoever, not specially provided for in this Act, including cigarette books, cigarette book covers, pouches for smoking or chewing tobacco, and cigarette paper in all forms, sixty per centum ad valorem.

460. Plows, tooth and disk harrows, harvesters, reapers, agricultural drills, and planters, mowers, horserakes, cultivators, threshing machines and cotton gins, twenty per centum ad valorem.

461. Plush, black, known commercially as hatters' plush, composed of silk, or of silk and cotton, such as is used exclusively for making men's hats, ten per centum ad valorem.

462. Umbrellas, parasols, and sun shades covered with material other than paper, fifty per centum ad valorem. Sticks for umbrellas, parasols, or sun shades, and walking canes, finished or unfinished, forty per centum ad valorem.

463. Waste, not specially provided for in this Act, ten per centum ad valorem.

FREE LIST.

SEC. 2. That on and after the passage of this Act, unless otherwise specially provided for in this Act, the following articles when imported shall be exempt from duty:

464. Acids: Arsenic or arsenious, benzoic, carbolic, fluoric, hydrochloric or muriatic, nitric, oxalic, phosphoric, phthalic, picric or nitro-picric, prussic, silicic, and valerianic.

465. Aconite.

466. Acorns, raw, dried or undried, but unground.

467. Agates, unmanufactured.

468. Albumen, not specially provided for.

469. Alizarin, natural or artificial, and dyes derived from alizarin or from anthracin.

470. Amber, and amberoid unmanufactured, or crude gum.

471. Ambergris.

472. Aniline salts.

473. Any animal imported specially for breeding purposes shall be admitted free: *Provided*, That no such animal shall be admitted free unless pure bred of a recognized breed, and duly registered in the book of record established for that breed: *And provided further*, That certificate of such record and of the pedigree of such animal shall be produced and submitted to the customs officer, duly authenticated by the proper custodian of such book of record, together with the affidavit of the owner, agent, or importer that such animal is the identical animal described in said certificate of record and pedigree: *And provided further*, That the Secretary of Agriculture shall determine and certify to the Secretary of the Treasury what are recognized breeds and pure bred animals under the provisions of this paragraph. The Secretary of the Treasury may prescribe such additional regulations as may be required for the strict enforcement of this provision. Cattle, horses, sheep, or other domestic animals straying across the boundary line into any foreign country, or driven across such boundary line by the owner for temporary pasturage purposes only, together with their offspring, may be brought back to the United States within six months free of duty, under regulations to be prescribed by the Secretary of the Treasury.

474. Animals brought into the United States temporarily for a period not exceeding six months, for the purpose of exhibition or competition for prizes offered by any agricultural or racing association; but a bond shall be given in accordance with regulations prescribed by the Secretary of the Treasury; also teams of animals, including their harness and tackle and the wagons or other vehicles actually owned by persons

emigrating from foreign countries to the United States with their families, and in actual use for the purpose of such emigration under such regulations as the Secretary of the Treasury may prescribe; and wild animals intended for exhibition in zoological collections for scientific and educational purposes, and not for sale or profit.

475. Annatto, roucou, rocoa, or orleans, and all extracts of.

476. Antimony ore, crude sulphite of.

477. Apatite.

478. Arrowroot in its natural state and not manufactured.

479. Arsenic and sulphide of, or orpiment.

480. Arseniate of aniline.

481. Art educational stops, composed of glass and metal and valued at not more than six cents per gross.

482. Articles in a crude state used in dyeing or tanning not specially provided for in this Act.

483. Articles the growth, produce, and manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means; casks, barrels, carboys, bags, and other vessels of American manufacture exported filled with American products, or exported empty and returned filled with foreign products, including shooks and staves when returned as barrels or boxes; also quicksilver flasks or bottles, of either domestic or foreign manufacture, which shall have been actually exported from the United States; but proof of the identity of such articles shall be made, under general regulations to be prescribed by the Secretary of the Treasury, but the exemption of bags from duty shall apply only to such domestic bags as may be imported by the exporter thereof, and if any such articles are subject to internal tax at the time of exportation, such tax shall be proved to have been paid before exportation and not refunded: *Provided*, That this paragraph shall not apply to any article upon which an allowance of drawback has been made, the reimportation of which is hereby prohibited except upon payment of duties equal to the drawbacks allowed; or to any article manufactured in bonded warehouse and exported under any provision of law: *And provided further*, That when manufactured tobacco which has been exported without payment of internal-revenue tax shall be reimported it shall be retained in the custody of the collector of customs until internal-revenue stamps in payment of the legal duties shall be placed thereon.

484. Asbestos, unmanufactured.

485. Ashes, wood and lye of, and beet-root ashes.

486. Asafetida.

487. Balm of Gilead.

488. Barks, cinchona or other from which quinine may be extracted.

489. Baryta, carbonate of, or witherite.

490. Beeswax.

491. Binding twine: All binding twine manufactured from New Zealand hemp, istle or Tampico fiber, sisal grass, or sunn, or a mixture of any two or more of them, of single ply and measuring not exceeding six hundred feet to the pound: *Provided*, That articles mentioned in this paragraph if imported from a country which lays an import duty on like articles imported from the United States, shall be subject to a duty of one-half of one cent per pound.

492. Bells, broken, and bell metal broken and fit only to be remanufactured.

493. Birds, stuffed, not suitable for millinery ornaments.

- 494. Birds and land and water fowls.
- 495. Bismuth.
- 496. Bladders, and all integuments and intestines of animals and fish sounds, crude, dried or salted for preservation only, and unmanufactured, not specially provided for in this Act.
- 497. Blood, dried, not specially provided for.
- 498. Bolting cloths composed of silk, imported expressly for milling purposes, and so permanently marked as not to be available for any other use.
- 499. Bones, crude, or not burned, calcined, ground, steamed, or otherwise manufactured, and bone dust or animal carbon, and bone ash, fit only for fertilizing purposes.
- 500. Books, engravings, photographs, etchings, bound or unbound, maps and charts imported by authority or for the use of the United States or for the use of the Library of Congress.
- 501. Books, maps, music, engravings, photographs, etchings, bound or unbound, and charts, which shall have been printed more than twenty years at the date of importation, and all hydrographic charts, and publications issued for their subscribers or exchanges by scientific and literary associations or academies, or publications of individuals for gratuitous private circulation, and public documents issued by foreign Governments.
- 502. Books and pamphlets printed exclusively in languages other than English; also books and music, in raised print, used exclusively by the blind.
- 503. Books, maps, music, photographs, etchings, lithographic prints, and charts, specially imported, not more than two copies in any one invoice, in good faith, for the use or by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use or by order of any college, academy, school, or seminary of learning in the United States, or any State or public library, and not for sale, subject to such regulations as the Secretary of the Treasury shall prescribe.
- 504. Books, libraries, usual and reasonable furniture, and similar household effects of persons or families from foreign countries, all the foregoing if actually used abroad by them not less than one year, and not intended for any other person or persons, nor for sale.
- 505. Brass, old brass, clippings from brass or Dutch metal, all the foregoing, fit only for remanufacture.
- 506. Brazil paste.
- 507. Brazilian pebble, unwrought or unmanufactured.
- 508. Breccia, in block or slabs.
- 509. Bristles, crude, not sorted, bunched, or prepared.
- 510. Broom corn.
- 511. Bullion, gold or silver.
- 512. Burgundy pitch.
- 513. Cadmium.
- 514. Calamine.
- 515. Camphor, crude.
- 516. Castor or castoreum.
- 517. Cat gut, whip gut, or worm gut, unmanufactured.
- 518. Cerium.
- 519. Chalk, crude, not ground, precipitated, or otherwise manufactured.
- 520. Chromate of iron or chromic ore.

521. Civet, crude.
522. Clay: Common blue clay in casks suitable for the manufacture of crucibles.
523. Coal, anthracite, not specially provided for in this Act, and coal stores of American vessels, but none shall be unloaded.
524. Coal tar, crude, pitch of coal tar, and products of coal tar known as dead or creosote oil, benzol, toluol, naphthalin, xylol, phenol, cresol, toluidine, xylidin, cumidin, binitrotoluol, binitrobenzol, benzidin, tolidin, dianisidin, naphthol, naphthylamin, diphenylamin, benzaldehyde, benzyl chloride, resorcin, nitro-benzol, and nitro-toluol; all the foregoing not medicinal and not colors or dyes.
525. Cobalt and cobalt ore.
526. *Cocculus indicus*.
527. Cochineal.
528. Cocoa, or cacao, crude, and fiber, leaves, and shells of.
529. Coffee.
530. Coins, gold, silver, and copper.
531. Coir, and coir yarn.
532. Copper in plates, bars, ingots, or pigs, and other forms, not manufactured or specially provided for in this Act.
533. Old copper, fit only for manufacture, clipping from new copper, and all composition metal of which copper is a component material of chief value not specially provided for in this Act.
534. Copper, regulus of, and black or coarse copper, and copper cement.
535. Coral, marine, uncut, and unmanufactured.
536. Cork wood, or cork bark, unmanufactured.
537. Cotton, and cotton waste or flocks.
538. Cryolite, or kryolith.
539. Cudbear.
540. Curling stones, or quoits, and curling-stone handles.
541. Curry, and curry powder.
542. Cutch.
543. Cuttlefish bone.
544. Dandelion roots, raw, dried, or undried, but unground.
545. Diamonds and other precious stones, rough or uncut, and not advanced in condition or value from their natural state by cleaving, splitting, cutting, or other process, including miners', glaziers' and engravers' diamonds not set, and diamond dust or bort.
546. Divi-divi.
547. Dragon's blood.
548. Drugs, such as barks, beans, berries, balsams, buds, bulbs, and bulbous roots, excrescences, fruits, flowers, dried fibers, and dried insects, grains, gums, and gum resin, herbs, leaves, lichens, mosses, nuts, nutgalls, roots, and stems, spices, vegetables, seeds aromatic, and seeds of morbid growth, weeds, and woods used expressly for dyeing; any of the foregoing which are drugs and not edible and are in a crude state, and not advanced in value or condition by refining or grinding, or by other process, and not specially provided for in this Act.
549. Eggs of birds, fish, and insects: *Provided, however,* That this shall not be held to include the eggs of game birds or eggs of birds not used for food, the importation of which is prohibited except specimens for scientific collections, nor fish roe preserved for food purposes.
550. Emery ore.
551. Ergot.
552. Fans, common palm-leaf, plain and not ornamented or decorated

in any manner, and palm leaf in its natural state, not colored, dyed, or otherwise advanced or manufactured.

553. Felt, adhesive, for sheathing vessels.

554. Fibrin, in all forms.

555. Fish, fresh, frozen, or packed in ice, caught in the Great Lakes or other fresh waters by citizens of the United States.

556. Fish skins.

557. Flint, flints, and flint stones, unground.

558. Fossils.

559. Fruits or berries, green, ripe, or dried, and fruits in brine, not specially provided for in this Act.

560. Fruit plants, tropical and semitropical, for the purpose of propagation or cultivation.

561. Furs, undressed.

562. Fur skins of all kinds not dressed in any manner and not specially provided for in this Act.

563. Gambier.

564. Glass enamel, white, for watch and clock dials.

565. Glass plates or discs, rough-cut or unwrought, for use in the manufacture of optical instruments, spectacles, and eye glasses, and suitable only for such use: *Provided, however,* That such discs exceeding eight inches in diameter may be polished sufficiently to enable the character of the glass to be determined.

566. Grasses and fibers: Istle or Tampico fiber, jute, jute butts, manila, sisal grass, sunn, and all other textile grasses or fibrous vegetable substances, not dressed or manufactured in any manner, and not specially provided for in this Act.

567. Gold-beaters' molds and gold-beaters' skins.

568. Grease, and oils (excepting fish oils), such as are commonly used in soap making or in wire drawing, or for stuffing or dressing leather, and which are fit only for such uses, and not specially provided for in this Act.

569. Guano, manures, and all substances used only for manure.

570. Gutta percha, crude.

571. Hair of horse, cattle, and other animals, cleaned or uncleaned, drawn or undrawn, but unmanufactured, not specially provided for in this Act; and human hair, raw, uncleaned, and not drawn.

572. Hide cuttings, raw, with or without hair, and all other glue stock.

573. Hide rope.

574. Hones and whetstones.

575. Hoofs, unmanufactured.

576. Hop roots for cultivation.

577. Horns and parts of, unmanufactured, including horn strips and tips.

578. Ice.

579. India rubber, crude, and milk of, and old scrap or refuse India rubber which has been worn out by use and is fit only for remanufacture.

580. Indigo.

581. Iodine, crude.

582. Ipecac.

583. Iridium.

584. Ivory tusks in their natural state or cut vertically across the grain only, with the bark left intact, and vegetable ivory in its natural state.

585. Jalap.

586. Jet, unmanufactured.

587. Joss stick, or Joss light.
588. Junk, old.
589. Kelp.
590. Kieserite.
591. Kyanite, or cyanite, and kainite.
592. Lac dye, crude, seed, button, stick, and shell.
593. Lac spirits.
594. Lactarene.
595. Lava, unmanufactured.
596. Leeches.
597. Lemon juice, lime juice, and sour orange juice.
598. Licorice root, unground.
599. Lifeboats and life-saving apparatus specially imported by societies incorporated or established to encourage the saving of human life.
600. Lime, citrate of.
601. Lithographic stones, not engraved.
602. Litmus, prepared or not prepared.
603. Loadstones.
604. Madder and munjeet, or Indian madder, ground or prepared, and all extracts of.
605. Magnesite, crude or calcined, not purified.
606. Magnesium, not made up into articles.
607. Manganese, oxide and ore of.
608. Manna.
609. Manuscripts.
610. Marrow, crude.
611. Marshmallow or althea root, leaves or flowers, natural or unmanufactured.
612. Medals of gold, silver, or copper, and other metallic articles actually bestowed as trophies or prizes, and received and accepted as honorary distinctions.
613. Meerschaum, crude or unmanufactured.
614. Minerals, crude, or not advanced in value or condition by refining or grinding, or by other process of manufacture, not specially provided for in this Act.
615. Mineral salts obtained by evaporation from mineral waters, when accompanied by a duly authenticated certificate and satisfactory proof, showing that they are in no way artificially prepared, and are only the product of a designated mineral spring.
616. Models of inventions and of other improvements in the arts, including patterns for machinery, but no article shall be deemed a model or pattern which can be fitted for use otherwise.
617. Moss, seaweeds, and vegetable substances, crude or unmanufactured, not otherwise specially provided for in this Act.
618. Musk, crude, in natural pods.
619. Myrobolans.
620. Needles, hand sewing, and darning.
621. Newspapers and periodicals; but the term "periodicals" as herein used shall be understood to embrace only unbound or paper-covered publications, issued within six months of the time of entry, containing current literature of the day and issued regularly at stated periods, as weekly, monthly, or quarterly.
622. Nuts: Brazil nuts, cream nuts, palm nuts and palm-nut kernels; cocoanuts in the shell and broken cocoanut meat or copra, not shredded, desiccated, or prepared in any manner.
623. Nux vomica.

624. Oakum.

625. Oil cake.

626. Oils: Almond, amber, crude and rectified ambergris, anise or anise seed, aniline, aspic or spike lavender, bergamot, cajeput, caraway, cassia, cinnamon, cedrat, chamonile, citronella or lemon grass, civet, cocoanut, fennel, ichthyol, jasmine or jasimine, juglandium, juniper, lavender, lemon, limes, mace, neroli or orange flower, enfleurage grease, nut oil or oil of nuts not otherwise specially provided for in this Act, orange oil, olive oil for manufacturing or mechanical purposes fit only for such use and valued at not more than sixty cents per gallon, ottar of roses, palm, rosemary or anthoss, sesame or sesamum seed or bean, thyme, origanum red or white, valerian; and also spermaceti, whale, and other fish oils of American fisheries, and all fish and other products, of such fisheries; petroleum, crude or refined: *Provided*, That if there be imported into the United States crude petroleum, or the products of crude petroleum produced in any country which imposes a duty on petroleum or its products exported from the United States, there shall in such cases be levied, paid, and collected a duty upon said crude petroleum or its products so imported equal to the duty imposed by such country.

627. Orange and lemon peel, not preserved, candied, or dried.

628. Orchil, or orchil liquid.

629. Ores of gold, silver, copper, or nickel, and nickel matte; sweepings of gold and silver.

630. Osmium.

631. Palladium.

632. Paper stock, crude, of every description, including all grasses, fibers, rags (other than wool), waste, including jute waste, shavings, clippings, old paper, rope ends, waste rope, and waste bagging, including old gunny cloth and old gunny bags, fit only to be converted into paper.

633. Paraffin.

634. Parchment and vellum.

635. Pearl, mother of, and shells, not sawed, cut, polished or otherwise manufactured, or advanced in value from the natural state.

636. Personal effects, not merchandise, of citizens of the United States dying in foreign countries.

637. Pewter and britannia metal, old, and fit only to be remanufactured.

638. Philosophical and scientific apparatus, utensils, instruments, and preparations, including bottles and boxes containing the same, specially imported in good faith for the use and by order of any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use or by order of any college, academy, school, or seminary of learning in the United States, or any State or public library, and not for sale, subject to such regulations as the Secretary of the Treasury shall prescribe.

639. Phosphates, crude.

640. Plants, trees, shrubs, roots, seed-cane, and seeds, imported by the Department of Agriculture or the United States Botanic Garden.

641. Platina, in ingots, bars, sheets, and wire.

642. Platinum, unmanufactured, and vases, retorts, and other apparatus, vessels, and parts thereof composed of platinum, for chemical uses.

643. Plumbago.

644. Potash, crude, or "black salts"; carbonate of potash, crude or refined; hydrate of, or caustic potash, not including refined in sticks or rolls; nitrate of potash or saltpeter, crude; sulphate of potash, crude or refined, and muriate of potash.

645. Professional books, implements, instruments, and tools of trade, occupation, or employment, in the actual possession at the time, of persons emigrating to the United States; but this exemption shall not be construed to include machinery or other articles imported for use in any manufacturing establishment, or for any other person or persons, or for sale, nor shall it be construed to include theatrical scenery, properties, and apparel; but such articles brought by proprietors or managers of theatrical exhibitions arriving from abroad, for temporary use by them in such exhibitions, and not for any other person, and not for sale, and which have been used by them abroad, shall be admitted free of duty under such regulations as the Secretary of the Treasury may prescribe; but bonds shall be given for the payment to the United States of such duties as may be imposed by law upon any and all such articles as shall not be exported within six months after such importation: *Provided*, That the Secretary of the Treasury may in his discretion extend such period for a further term of six months in case application shall be made therefor.

646. Pulu.

647. Quinia, sulphate of, and all alkaloids or salts of cinchona bark.

648. Rags, not otherwise specially provided for in this Act.

649. Regalia and gems, statuary, and specimens or casts of sculpture, where specially imported in good faith for the use and by order of any society incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or for the use and by order of any college, academy, school, or seminary of learning in the United States, or any State or public library, and not for sale; but the term "regalia" as herein used shall be held to embrace only such insignia of rank or office or emblems as may be worn upon the person or borne in the hand during public exercises of the society or institution, and shall not include articles of furniture or fixtures, or of regular wearing apparel, nor personal property of individuals.

650. Rennets, raw or prepared.

651. Saffron and safflower, and extract of, and saffron cake.

652. Sago, crude.

653. Salacin.

654. Salep, or salop.

655. Sausages, bologna.

656. Seeds: Anise, caraway, cardamom, cauliflower, coriander, cotton, cummin, fennel, feugreek, hemp, hoarhound, mangel-wurzel, mustard, rape, Saint John's bread or bean, sugar beet, sorghum or sugar cane for seed; bulbs and bulbous roots, not edible and not otherwise provided for; all flower and grass seeds; all the foregoing not specially provided for in this Act.

657. Sheep dip, not including compounds or preparations that can be used for other purposes.

658. Shotgun barrels, in single tubes, forged, rough bored.

659. Shrimps and other shell fish.

660. Silk, raw, or as reeled from the cocoon, but not doubled, twisted, or advanced in manufacture in any way.

661. Silk cocoons and silk waste.

662. Silkworm's eggs.

- 663. Skeletons and other preparations of anatomy.
- 664. Skins of all kinds, raw (except sheepskins with the wool on), and hides not specially provided for in this Act.
- 665. Soda, nitrate of, or cubic nitrate.
- 666. Specimens of natural history, botany, and mineralogy, when imported for scientific public collections, and not for sale.
- 667. Spices: Cassia, cassia vera, and cassia buds; cinnamon and chips of; cloves and clove stems; mace; nutmegs; pepper, black or white, and pimento; all the foregoing when unground; ginger root, unground and not preserved or candied.
- 668. Spunk.
- 669. Spurs and stilts used in the manufacture of earthen, porcelain, and stone ware.
- 670. Stamps; foreign postage or revenue stamps, canceled or uncanceled.
- 671. Stone and sand: Burrstone in blocks, rough or unmanufactured; cliff stone, unmanufactured; rotten stone, tripoli, and sand, crude or manufactured, not otherwise provided for in this Act.
- 672. Storax, or styrax.
- 673. Strontia, oxide of, and protoxide of strontian, and strontianite, or mineral carbonate of strontia.
- 674. Sulphur, lac or precipitated, and sulphur or brimstone, crude, in bulk, sulphur ore as pyrites, or sulphuret of iron in its natural state, containing in excess of twenty-five per centum of sulphur, and sulphur not otherwise provided for.
- 675. Sulphuric acid which at the temperature of sixty degrees Fahrenheit does not exceed the specific gravity of one and three hundred and eighty thousandths, for use in manufacturing superphosphate of lime or artificial manures of any kind, or for any agricultural purposes: *Provided*, That upon all sulphuric acid imported from any country, whether independent or a dependency, which imposes a duty upon sulphuric acid imported into such country from the United States, there shall be levied and collected a duty of one-fourth of one cent per pound.
- 676. Tamarinds.
- 677. Tapioca, cassava or cassady.
- 678. Tar and pitch of wood.
- 679. Tea and tea plants.
- 680. Teeth, natural, or unmanufactured.
- 681. Terra alba, not made from gypsum or plaster rock.
- 682. Terra japonica.
- 683. Tin ore, cassiterite or black oxide of tin, and tin in bars, blocks, pigs, or grain or granulated.
- 684. Tobacco stems.
- 685. Tonquin, tonqua, or tonka beans.
- 686. Turmeric.
- 687. Turpentine, Venice.
- 688. Turpentine, spirits of.
- 689. Turtles.
- 690. Types, old, and fit only to be remanufactured.
- 691. Uranium, oxide and salts of.
- 692. Vaccine virus.
- 693. Valonia.
- 694. Verdigris, or subacetate of copper.
- 695. Wax, vegetable or mineral.
- 696. Wafers, unleavened or not edible.

697. Wearing apparel, articles of personal adornment, toilet articles, and similar personal effects of persons arriving in the United States; but this exemption shall only include such articles as actually accompany and are in the use of, and as are necessary and appropriate for the wear and use of such persons, for the immediate purposes of the journey and present comfort and convenience, and shall not be held to apply to merchandise or articles intended for other persons or for sale: *Provided*, That in case of residents of the United States returning from abroad, all wearing apparel and other personal effects taken by them out of the United States to foreign countries shall be admitted free of duty, without regard to their value, upon their identity being established, under appropriate rules and regulations to be prescribed by the Secretary of the Treasury, but no more than one hundred dollars in value of articles purchased abroad by such residents of the United States shall be admitted free of duty upon their return.

698. Whalebone, unmanufactured.

699. Wood: Logs and round unmanufactured timber, including pulp-woods, firewood, handle-bolts, shingle-bolts, gun-blocks for gun-stocks rough-hewn or sawed or planed on one side, hop-poles, ship-timber and ship-planking; all the foregoing not specially provided for in this Act.

700. Woods: Cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all forms of cabinet woods, in the log, rough, or hewn only; briar root or briar wood and similar wood unmanufactured, or not further advanced than cut into blocks suitable for the articles into which they are intended to be converted; bamboo, rattan, reeds unmanufactured, India malacca joints, and sticks of partridge, hair wood, pimento, orange, myrtle, and other woods not specially provided for in this Act, in the rough, or not further advanced than cut into lengths suitable for sticks for umbrellas, parasols, sun-shades, whips, fishing rods, or walking-canes.

701. Works of art, drawings, engravings, photographic pictures, and philosophical and scientific apparatus brought by professional artists, lecturers, or scientists arriving from abroad for use by them temporarily for exhibition and in illustration, promotion, and encouragement of art, science, or industry in the United States, and not for sale, shall be admitted free of duty, under such regulations as the Secretary of the Treasury shall prescribe; but bonds shall be given for the payment to the United States of such duties as may be imposed by law upon any and all such articles as shall not be exported within six months after such importation: *Provided*, That the Secretary of the Treasury may, in his discretion, extend such period for a further term of six months in cases where applications therefor shall be made.

702. Works of art, collections in illustration of the progress of the arts, sciences, or manufactures, photographs, works in terra cotta, parian, pottery, or porcelain, antiquities and artistic copies thereof in metal or other material, imported in good faith for exhibition at a fixed place by any State or by any society or institution established for the encouragement of the arts, science, or education, or for a municipal corporation, and all like articles imported in good faith by any society or association, or for a municipal corporation for the purpose of erecting a public monument, and not intended for sale, nor for any other purpose than herein expressed; but bonds shall be given under such rules and regulations as the Secretary of the Treasury may prescribe, for the payment of lawful duties which may accrue should any of the articles aforesaid be sold, transferred, or used contrary to this provision, and such articles shall be subject, at any time, to examination and inspection by

the proper officers of the customs: *Provided*, That the privileges of this and the preceding section shall not be allowed to associations or corporations engaged in or connected with business of a private or commercial character.

703. Works of art, the production of American artists residing temporarily abroad, or other works of art, including pictorial paintings on glass, imported expressly for presentation to a national institution, or to any State or municipal corporation, or incorporated religious society, college, or other public institution, except stained or painted window-glass or stained or painted glass windows; but such exemption shall be subject to such regulations as the Secretary of the Treasury may prescribe.

704. Yams.

705. Zaffer.

SEC. 3. That for the purpose of equalizing the trade of the United States with foreign countries, and their colonies, producing and exporting to this country the following articles: Argols, or crude tartar, or wine lees, crude; brandies, or other spirits manufactured or distilled from grain or other materials; champagne and all other sparkling wines; still wines, and vermouth; paintings and statuary; or any of them, the President be, and he is hereby, authorized, as soon as may be after the passage of this Act, and from time to time thereafter, to enter into negotiations with the governments of those countries exporting to the United States the above-mentioned articles, or any of them, with a view to the arrangement of commercial agreements in which reciprocal and equivalent concessions may be secured in favor of the products and manufactures of the United States; and whenever the government of any country, or colony, producing and exporting to the United States the above-mentioned articles, or any of them, shall enter into a commercial agreement with the United States, or make concessions in favor of the products, or manufactures thereof, which, in the judgment of the President, shall be reciprocal and equivalent, he shall be, and he is hereby, authorized and empowered to suspend, during the time of such agreement or concession, by proclamation to that effect, the imposition and collection of the duties mentioned in this Act, on such article or articles so exported to the United States from such country or colony, and thereupon and thereafter the duties levied, collected, and paid upon such article or articles shall be as follows, namely:

Argols, or crude tartar, or wine lees, crude, five per centum ad valorem.

Brandies, or other spirits manufactured or distilled from grain or other materials, one dollar and seventy-five cents per proof gallon.

Champagne and all other sparkling wines, in bottles containing not more than one quart and more than one pint, six dollars per dozen; containing not more than one pint each and more than one-half pint, three dollars per dozen; containing one-half pint each or less, one dollar and fifty cents per dozen; in bottles or other vessels containing more than one quart each, in addition to six dollars per dozen bottles on the quantities in excess of one quart, at the rate of one dollar and ninety cents per gallon.

Still wines, and vermouth, in casks, thirty-five cents per gallon; in bottles or jugs, per case of one dozen bottles or jugs containing each not more than one quart and more than one pint, or twenty-four bottles or jugs containing each not more than one pint, one dollar and twenty-five cents per case, and any excess beyond these quantities found in such bottles or jugs shall be subject to a duty of four cents per pint or

fractional part thereof, but no separate or additional duty shall be assessed upon the bottles or jugs.

Paintings in oil or water colors, pastels, pen and ink drawings, and statuary, fifteen per centum ad valorem.

The President shall have power, and it shall be his duty, whenever he shall be satisfied that any such agreement in this Section mentioned is not being fully executed by the Government with which it shall have been made, to revoke such suspension and notify such Government thereof.

And it is further provided that with a view to secure reciprocal trade with countries producing the following articles, whenever and so often as the President shall be satisfied that the Government of any country, or colony of such Government, producing and exporting directly or indirectly to the United States coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, or any of such articles, imposes duties or other exactions upon the agricultural, manufactured, or other products of the United States, which, in view of the introduction of such coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, into the United States, as in this Act hereinbefore provided for, he may deem to be reciprocally unequal and unreasonable, he shall have the power and it shall be his duty to suspend, by proclamation to that effect, the provisions of this Act relating to the free introduction of such coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, of the products of such country or colony, for such time as he shall deem just; and in such case and during such suspension duties shall be levied, collected, and paid upon coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, the products or exports, direct or indirect, from such designated country, as follows:

On coffee, three cents per pound.

On tea, ten cents per pound.

On tonquin, tonqua, or tonka beans, fifty cents per pound; vanilla beans, two dollars per pound; vanilla beans, commercially known as cuts, one dollar per pound.

SEC. 4. That whenever the President of the United States, by and with the advice and consent of the Senate, with a view to secure reciprocal trade with foreign countries, shall, within the period of two years from and after the passage of this Act, enter into commercial treaty or treaties with any other country or countries concerning the admission into any such country or countries of the goods, wares, and merchandise of the United States and their use and disposition therein, deemed to be for the interests of the United States, and in such treaty or treaties, in consideration of the advantages accruing to the United States therefrom, shall provide for the reduction during a specified period, not exceeding five years, of the duties imposed by this Act, to the extent of not more than twenty per centum thereof, upon such goods, wares, or merchandise as may be designated therein of the country or countries with which such treaty or treaties shall be made as in this section provided for; or shall provide for the transfer during such period from the dutiable list of this Act to the free list thereof of such goods, wares, and merchandise, being the natural products of such foreign country or countries and not of the United States; or shall provide for the retention upon the free list of this Act during a specified period, not exceeding five years, of such goods, wares, and merchandise now included in said free list as may be designated therein; and when any such treaty shall have been duly ratified by the Senate and approved by Congress, and public proclamation made accordingly, then and

thereafter the duties which shall be collected by the United States upon any of the designated goods, wares, and merchandise from the foreign country with which such treaty has been made shall, during the period provided for, be the duties specified and provided for in such treaty, and none other.

SEC. 5. That whenever any country, dependency, or colony shall pay or bestow, directly or indirectly, any bounty or grant upon the exportation of any article or merchandise from such country, dependency, or colony, and such article or merchandise is dutiable under the provisions of this Act, then upon the importation of any such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to the duties otherwise imposed by this Act, an additional duty equal to the net amount of such bounty or grant, however the same be paid or bestowed. The net amount of all such bounties or grants shall be from time to time ascertained, determined, and declared by the Secretary of the Treasury, who shall make all needful regulations for the identification of such articles and merchandise and for the assessment and collection of such additional duties.

SEC. 6. That there shall be levied, collected, and paid on the importation of all raw or unmanufactured articles, not enumerated or provided for in this Act, a duty of ten per centum ad valorem, and on all articles manufactured, in whole or in part, not provided for in this Act, a duty of twenty per centum ad valorem.

SEC. 7. That each and every imported article, not enumerated in this Act, which is similar, either in material, quality, texture, or the use to which it may be applied, to any article enumerated in this Act as chargeable with duty, shall pay the same rate of duty which is levied on the enumerated article which it most resembles in any of the particulars before mentioned; and if any nonenumerated article equally resembles two or more enumerated articles on which different rates of duty are chargeable, there shall be levied on such nonenumerated article the same rate of duty as is chargeable on the article which it resembles paying the highest rate of duty; and on articles not enumerated, manufactured of two or more materials, the duty shall be assessed at the highest rate at which the same would be chargeable if composed wholly of the component material thereof of chief value; and the words "component material of chief value," wherever used in this Act, shall be held to mean that component material which shall exceed in value any other single component material of the article; and the value of each component material shall be determined by the ascertained value of such material in its condition as found in the article. If two or more rates of duty shall be applicable to any imported article, it shall pay duty at the highest of such rates.

SEC. 8. That all articles of foreign manufacture, such as are usually or ordinarily marked, stamped, branded, or labeled, and all packages containing such or other imported articles, shall, respectively, be plainly marked, stamped, branded, or labeled in legible English words in a conspicuous place, so as to indicate the country of their origin and the quantity of their contents; and until so marked, stamped, branded, or labeled they shall not be delivered to the importer. Should any article of imported merchandise be marked, stamped, branded, or labeled so as to indicate a quantity, number, or measurement in excess

of the quantity, number, or measurement actually contained in such article, no delivery of the same shall be made to the importer until the mark, stamp, brand, or label, as the case may be, shall be changed so as to conform to the facts of the case.

SEC. 9. That section thirty-three hundred and forty-one of the Revised Statutes of the United States be, and hereby is, amended to read as follows:

“SEC. 3341. The Commissioner of Internal Revenue shall cause to be prepared, for the payment of such tax, suitable stamps denoting the amount of tax required to be paid on the hogsheads, barrels, and halves, thirds, quarters, sixths, and eighths of a barrel of such fermented liquors (and shall also cause to be prepared suitable permits for the purpose hereinafter mentioned), and shall furnish the same to the collectors of internal revenue, who shall each be required to keep on hand at all times a sufficient supply of permits and a supply of stamps equal in amount to two months' sales thereof, if there be any brewery or brewery warehouse in his district; and such stamps shall be sold, and permits granted and delivered by such collectors, only to the brewers of their district, respectively.

“Such collectors shall keep an account of the number of permits delivered and of the number and value of the stamps sold by them to each brewer.”

SEC. 10. That section thirty-three hundred and ninety-four of the Revised Statutes of the United States, as amended, be, and the same is hereby, further amended, so as to read as follows:

“Upon cigars which shall be manufactured and sold, or removed for consumption or sale, there shall be assessed and collected the following taxes, to be paid by the manufacturer thereof: On cigars of all descriptions made of tobacco, or any substitute therefor, and weighing more than three pounds per thousand, three dollars per thousand; on cigars, made of tobacco, or any substitute therefor, and weighing not more than three pounds per thousand, one dollar per thousand; on cigarettes, made of tobacco, or any substitute therefor, and weighing more than three pounds per thousand, three dollars per thousand; on cigarettes, made of tobacco, or any substitute therefor, and weighing not more than three pounds per thousand, one dollar per thousand: *Provided*, That all rolls of tobacco, or any substitute therefor, wrapped with tobacco, shall be classed as cigars, and all rolls of tobacco, or any substitute therefor, wrapped in paper or any substance other than tobacco, shall be classed as cigarettes.

“And the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall provide dies and adhesive stamps for cigars weighing not more than three pounds per thousand: *Provided*, That such stamps shall be in denominations of ten, twenty, fifty, and one hundred, and the laws and regulations governing the packing and removal for sale of cigarettes, and the affixing and canceling of the stamps on the packages thereof, shall apply to cigars weighing not more than three pounds per thousand.

“None of the packages of smoking tobacco and fine-cut chewing tobacco and cigarettes prescribed by law shall be permitted to have packed in, or attached to, or connected with, them, any article or thing whatsoever, other than the manufacturers' wrappers and labels, the internal revenue stamp and the tobacco or cigarettes, respectively, put up therein, on which tax is required to be paid under the internal revenue laws; nor shall there be affixed to, or branded, stamped, marked, written, or printed upon, said packages, or their contents, any promise

or offer of, or any order or certificate for, any gift, prize, premium, payment, or reward."

SEC. 11. That no article of imported merchandise which shall copy or simulate the name or trade-mark of any domestic manufacture or manufacturer, or which shall bear a name or mark, which is calculated to induce the public to believe that the article is manufactured in the United States, shall be admitted to entry at any custom-house of the United States. And in order to aid the officers of the customs in enforcing this prohibition, any domestic manufacturer who has adopted trade-marks may require his name and residence and a description of his trade-marks to be recorded in books which shall be kept for that purpose in the Department of the Treasury, under such regulations as the Secretary of the Treasury shall prescribe, and may furnish to the Department facsimiles of such trade-marks; and thereupon the Secretary of the Treasury shall cause one or more copies of the same to be transmitted to each collector or other proper officer of the customs.

SEC. 12. That all materials of foreign production which may be necessary for the construction of vessels built in the United States for foreign account and ownership, or for the purpose of being employed in the foreign trade, including the trade between the Atlantic and Pacific ports of the United States, and all such materials necessary for the building of their machinery, and all articles necessary for their outfit and equipment, may be imported in bond under such regulations as the Secretary of the Treasury may prescribe; and upon proof that such materials have been used for such purposes no duties shall be paid thereon. But vessels receiving the benefit of this section shall not be allowed to engage in the coastwise trade of the United States more than two months in any one year except upon the payment to the United States of the duties of which a rebate is herein allowed: *Provided*, That vessels built in the United States for foreign account and ownership shall not be allowed to engage in the coastwise trade of the United States.

SEC. 13. That all articles of foreign production needed for the repair of American vessels engaged in foreign trade, including the trade between the Atlantic and Pacific ports of the United States, may be withdrawn from bonded warehouses free of duty, under such regulations as the Secretary of the Treasury may prescribe.

SEC. 14. That the sixteenth section of an Act entitled "An Act to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes," approved June twenty-sixth, eighteen hundred and eighty-four, be amended so as to read as follows:

"SEC. 16. That all articles of foreign or domestic production needed and actually withdrawn from bonded warehouses and bonded manufacturing warehouses for supplies (not including equipment) of vessels of the United States engaged in foreign trade, or in trade between the Atlantic and Pacific ports of the United States, may be so withdrawn from said bonded warehouses, free of duty or of internal-revenue tax, as the case may be, under such regulations as the Secretary of the Treasury may prescribe; but no such articles shall be landed at any port of the United States."

SEC. 15. That all articles manufactured in whole or in part of imported materials, or of materials subject to internal-revenue tax, and intended for exportation without being charged with duty, and without having an internal-revenue stamp affixed thereto, shall, under such regulations as the Secretary of the Treasury may prescribe, in order to be so manu-

factured and exported, be made and manufactured in bonded warehouses similar to those known and designated in Treasury Regulations as bonded warehouses, class six: *Provided*, That the manufacturer of such articles shall first give satisfactory bonds for the faithful observance of all the provisions of law and of such regulations as shall be prescribed by the Secretary of the Treasury: *Provided further*, That the manufacture of distilled spirits from grain, starch, molasses or sugar, including all dilutions or mixtures of them or either of them, shall not be permitted in such manufacturing warehouses.

Whenever goods manufactured in any bonded warehouse established under the provisions of the preceding paragraph shall be exported directly therefrom or shall be duly laden for transportation and immediate exportation under the supervision of the proper officer who shall be duly designated for that purpose, such goods shall be exempt from duty and from the requirements relating to revenue stamps.

Any materials used in the manufacture of such goods, and any packages, coverings, vessels, brands, and labels used in putting up the same may, under the regulations of the Secretary of the Treasury, be conveyed without the payment of revenue tax or duty into any bonded manufacturing warehouse, and imported goods may, under the aforesaid regulations, be transferred without the exaction of duty from any bonded warehouse into any bonded manufacturing warehouse; but this privilege shall not be held to apply to implements, machinery, or apparatus to be used in the construction or repair of any bonded manufacturing warehouse or for the prosecution of the business carried on therein.

No articles or materials received into such bonded manufacturing warehouse shall be withdrawn or removed therefrom except for direct shipment and exportation or for transportation and immediate exportation in bond under the supervision of the officer duly designated therefor by the collector of the port, who shall certify to such shipment and exportation, or lading for transportation, as the case may be, describing the articles by their mark or otherwise, the quantity, the date of exportation, and the name of the vessel. All labor performed and services rendered under these provisions shall be under the supervision of a duly designated officer of the customs and at the expense of the manufacturer.

A careful account shall be kept by the collector of all merchandise delivered by him to any bonded manufacturing warehouse, and a sworn monthly return, verified by the customs officers in charge, shall be made by the manufacturers containing a detailed statement of all imported merchandise used by him in the manufacture of exported articles.

Before commencing business the proprietor of any manufacturing warehouse shall file with the Secretary of the Treasury a list of all the articles intended to be manufactured in such warehouse, and state the formula of manufacture and the names and quantities of the ingredients to be used therein.

Articles manufactured under these provisions may be withdrawn under such regulations as the Secretary of the Treasury may prescribe for transportation and delivery into any bonded warehouse at an exterior port for the sole purpose of immediate export therefrom.

The provisions of Revised Statutes thirty-four hundred and thirty-three shall, so far as may be practicable, apply to any bonded manufacturing warehouse established under this Act and to the merchandise conveyed therein.

SEC. 16. That all persons are prohibited from importing into the

United States from any foreign country any obscene book, pamphlet, paper, writing, advertisement, circular, print, picture, drawing, or other representation, figure, or image on or of paper or other material, or any cast, instrument, or other article of an immoral nature, or any drug or medicine, or any article whatever for the prevention of conception or for causing unlawful abortion, or any lottery ticket or any advertisement of any lottery. No such articles, whether imported separately or contained in packages with other goods entitled to entry, shall be admitted to entry; and all such articles shall be proceeded against, seized, and forfeited by due course of law. All such prohibited articles and the package in which they are contained in the course of importation shall be detained by the officer of customs, and proceedings taken against the same, as hereinafter prescribed, unless it appears to the satisfaction of the collector of customs that the obscene articles contained in the package were inclosed therein without the knowledge or consent of the importer, owner, agent, or consignee: *Provided*, That the drugs hereinbefore mentioned, when imported in bulk and not put up for any of the purposes hereinbefore specified, are excepted from the operation of this section.

SEC. 17. That whoever, being an officer, agent, or employee of the Government of the United States, shall knowingly aid or abet any person engaged in any violation of any of the provisions of law prohibiting importing, advertising, dealing in, exhibiting, or sending or receiving by mail obscene or indecent publications or representations, or means for preventing conception or procuring abortion, or other articles of indecent or immoral use or tendency, shall be deemed guilty of a misdemeanor, and shall for every offense be punishable by a fine of not more than five thousand dollars, or by imprisonment at hard labor for not more than ten years, or both.

SEC. 18. That any judge of any district or circuit court of the United States, within the proper district, before whom complaint in writing of any violation of the two preceding sections is made, to the satisfaction of such judge, and founded on knowledge or belief, and if upon belief, setting forth the grounds of such belief, and supported by oath or affirmation of the complainant, may issue, conformably to the Constitution, a warrant directed to the marshal or any deputy marshal in the proper district, directing him to search for, seize, and take possession of any such article or thing mentioned in the two preceding sections, and to make due and immediate return thereof to the end that the same may be condemned and destroyed by proceedings, which shall be conducted in the same manner as other proceedings in the case of municipal seizure, and with the same right of appeal or writ of error.

SEC. 19. That machinery for repair may be imported into the United States without payment of duty, under bond, to be given in double the appraised value thereof, to be withdrawn and exported after said machinery shall have been repaired; and the Secretary of the Treasury is authorized and directed to prescribe such rules and regulations as may be necessary to protect the revenue against fraud and secure the identity and character of all such importations when again withdrawn and exported, restricting and limiting the export and withdrawal to the same port of entry where imported, and also limiting all bonds to a period of time of not more than six months from the date of the importation.

SEC. 20. That the produce of the forests of the State of Maine upon the Saint John River and its tributaries, owned by American citizens, and sawed or hewed in the Province of New Brunswick by American

citizens, the same being otherwise unmanufactured in whole or in part, which is now admitted into the ports of the United States free of duty, shall continue to be so admitted, under such regulations as the Secretary of the Treasury shall from time to time prescribe.

SEC. 21. That the produce of the forests of the State of Maine upon the Saint Croix River and its tributaries owned by American citizens, and sawed or hewed in the Province of New Brunswick by American citizens, the same being otherwise unmanufactured in whole or in part, shall be admitted into the ports of the United States free of duty, under such regulations as the Secretary of the Treasury shall from time to time prescribe.

SEC. 22. That a discriminating duty of ten per centum ad valorem, in addition to the duties imposed by law, shall be levied, collected, and paid on all goods, wares, or merchandise which shall be imported in vessels not of the United States, or which being the production or manufacture of any foreign country not contiguous to the United States, shall come into the United States from such contiguous country; but this discriminating duty shall not apply to goods, wares, or merchandise which shall be imported in vessels not of the United States, entitled at the time of such importation by treaty or convention to be entered in the ports of the United States on payment of the same duties as shall then be payable on goods, wares, and merchandise imported in vessels of the United States, nor to such foreign products or manufactures as shall be imported from such contiguous countries in the usual course of strictly retail trade.

SEC. 23. That no goods, wares, or merchandise, unless in cases provided for by treaty, shall be imported into the United States from any foreign port or place, except in vessels of the United States, or in such foreign vessels as truly and wholly belong to the citizens or subjects of that country of which the goods are the growth, production, or manufacture, or from which such goods, wares, or merchandise can only be, or most usually are, first shipped for transportation. All goods, wares, or merchandise imported contrary to this section, and the vessel wherein the same shall be imported, together with her cargo, tackle, apparel, and furniture, shall be forfeited to the United States; and such goods, wares, or merchandise, ship, or vessel, and cargo shall be liable to be seized, prosecuted, and condemned in like manner, and under the same regulations, restrictions, and provisions as have been heretofore established for the recovery, collection, distribution, and remission of forfeitures to the United States by the several revenue laws.

SEC. 24. That the preceding section shall not apply to vessels or goods, wares, or merchandise imported in vessels of a foreign nation which does not maintain a similar regulation against vessels of the United States.

SEC. 25. That the importation of neat cattle and the hides of neat cattle from any foreign country into the United States is prohibited: *Provided*, That the operation of this section shall be suspended as to any foreign country or countries, or any parts of such country or countries, whenever the Secretary of the Treasury shall officially determine, and give public notice thereof that such importation will not tend to the introduction or spread of contagious or infectious diseases among the cattle of the United States; and the Secretary of the Treasury is hereby authorized and empowered, and it shall be his duty, to make all necessary orders and regulations to carry this section into effect, or to suspend the same as herein provided, and to send copies thereof to

the proper officers in the United States, and to such officers or agents of the United States in foreign countries as he shall judge necessary.

SEC. 26. That any person convicted of a willful violation of any of the provisions of the preceding section shall be fined not exceeding five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

SEC. 27. That upon the reimportation of articles once exported, of the growth, product, or manufacture of the United States, upon which no internal tax has been assessed or paid, or upon which such tax has been paid and refunded by allowance or drawback, there shall be levied, collected, and paid a duty equal to the tax imposed by the internal-revenue laws upon such articles, except articles manufactured in bonded warehouses and exported pursuant to law, which shall be subject to the same rate of duty as if originally imported.

SEC. 28. That whenever any vessel laden with merchandise, in whole or in part subject to duty, has been sunk in any river, harbor, bay, or waters subject to the jurisdiction of the United States, and within its limits, for the period of two years, and is abandoned by the owner thereof, any person who may raise such vessel shall be permitted to bring any merchandise recovered therefrom into the port nearest to the place where such vessel was so raised free from the payment of any duty thereupon, but under such regulations as the Secretary of the Treasury may prescribe.

SEC. 29. That the works of manufacturers engaged in smelting or refining metals, or both smelting and refining, in the United States may be designated as bonded warehouses under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That such manufacturers shall first give satisfactory bonds to the Secretary of the Treasury. Ores or metals in any crude form requiring smelting or refining to make them readily available in the arts, imported into the United States to be smelted or refined and intended to be exported in a refined but unmanufactured state, shall, under such rules as the Secretary of the Treasury may prescribe, and under the direction of the proper officer, be removed in original packages or in bulk from the vessel or other vehicle on which they have been imported, or from the bonded warehouse in which the same may be, into the bonded warehouse in which such smelting or refining, or both, may be carried on, for the purpose of being smelted or refined, or both, without payment of duties thereon, and may there be smelted or refined, together with other metals of home or foreign production: *Provided*, That each day a quantity of refined metal equal to ninety per centum of the amount of imported metal smelted or refined that day shall be set aside, and such metal so set aside shall not be taken from said works except for transportation to another bonded warehouse or for exportation, under the direction of the proper officer having charge thereof as aforesaid, whose certificate, describing the articles by their marks or otherwise, the quantity, the date of importation, and the name of vessel or other vehicle by which it was imported, with such additional particulars as may from time to time be required, shall be received by the collector of customs as sufficient evidence of the exportation of the metal, or it may be removed under such regulations as the Secretary of the Treasury may prescribe, upon entry and payment of duties, for domestic consumption, and the exportation of the ninety per centum of metals hereinbefore provided for shall entitle the ores and metals imported under the provisions of this section to admission without payment of the duties thereon: *Provided further*, That in respect to lead ores imported

under the provisions of this section the refined metal set aside shall either be reexported or the regular duties paid thereon within six months from the date of the receipt of the ore. All labor performed and services rendered under these regulations shall be under the supervision of an officer of the customs, to be appointed by the Secretary of the Treasury, and at the expense of the manufacturer.

SEC. 30. That where imported materials on which duties have been paid are used in the manufacture of articles manufactured or produced in the United States, there shall be allowed on the exportation of such articles a drawback equal in amount to the duties paid on the materials used, less one per centum of such duties: *Provided*, That when the articles exported are made in part from domestic materials the imported materials, or the parts of the articles made from such materials, shall so appear in the completed articles that the quantity or measure thereof may be ascertained: *And provided further*, That the drawback on any article allowed under existing law shall be continued at the rate herein provided. That the imported materials used in the manufacture or production of articles entitled to drawback of customs duties when exported shall, in all cases where drawback of duties paid on such materials is claimed, be identified, the quantity of such materials used and the amount of duties paid thereon shall be ascertained, the facts of the manufacture or production of such articles in the United States and their exportation therefrom shall be determined, and the drawback due thereon shall be paid to the manufacturer, producer, or exporter, to the agent of either or to the person to whom such manufacturer, producer, exporter, or agent shall in writing order such drawback paid, under such regulations as the Secretary of the Treasury shall prescribe.

SEC. 31. That all goods, wares, articles, and merchandise manufactured wholly or in part in any foreign country by convict labor shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

SEC. 32. That sections seven and eleven of the Act entitled "An Act to simplify the laws in relation to the collection of the revenues," approved June tenth, eighteen hundred and ninety, be, and the same are hereby, amended so as to read as follows:

SEC. 7. That the owner, consignee, or agent of any imported merchandise which has been actually purchased may, at the time when he shall make and verify his written entry of such merchandise, but not afterwards, make such addition in the entry to the cost or value given in the invoice or pro forma invoice or statement in form of an invoice, which he shall produce with his entry, as in his opinion may raise the same to the actual market value or wholesale price of such merchandise at the time of exportation to the United States, in the principal markets of the country from which the same has been imported; but no such addition shall be made upon entry to the invoice value of any imported merchandise obtained otherwise than by actual purchase; and the collector within whose district any merchandise may be imported or entered, whether the same has been actually purchased or procured otherwise than by purchase, shall cause the actual market value or wholesale price of such merchandise to be appraised; and if the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry, there shall be levied, collected, and paid, in addition to the duties imposed by

law on such merchandise, an additional duty of one per centum of the total appraised value thereof for each one per centum that such appraised value exceeds the value declared in the entry, but the additional duties shall only apply to the particular article or articles in each invoice that are so undervalued, and shall be limited to fifty per centum of the appraised value of such article or articles. Such additional duties shall not be construed to be penal, and shall not be remitted, nor payment thereof in any way avoided, except in cases arising from a manifest clerical error, nor shall they be refunded in case of exportation of the merchandise, or on any other account, nor shall they be subject to the benefit of drawback: *Provided*, That if the appraised value of any merchandise shall exceed the value declared in the entry by more than fifty per centum, except when arising from a manifest clerical error, such entry shall be held to be presumptively fraudulent, and the collector of customs shall seize such merchandise and proceed as in case of forfeiture for violation of the customs laws, and in any legal proceeding that may result from such seizure, the undervaluation as shown by the appraisal shall be presumptive evidence of fraud, and the burden of proof shall be on the claimant to rebut the same and forfeiture shall be adjudged unless he shall rebut such presumption of fraudulent intent by sufficient evidence. The forfeiture provided for in this section shall apply to the whole of the merchandise or the value thereof in the case or package containing the particular article or articles in each invoice which are undervalued: *Provided, further*, That all additional duties, penalties or forfeitures applicable to merchandise entered by a duly certified invoice, shall be alike applicable to merchandise entered by a pro forma invoice or statement in the form of an invoice, and no forfeiture or disability of any kind, incurred under the provisions of this section shall be remitted or mitigated by the Secretary of the Treasury. The duty shall not, however, be assessed in any case upon an amount less than the invoice or entered value.

SEC. 11. That, when the actual market value as defined by law, of any article of imported merchandise, wholly or partly manufactured and subject to an ad valorem duty, or to a duty based in whole or in part on value, can not be otherwise ascertained to the satisfaction of the appraising officer, such officer shall use all available means in his power to ascertain the cost of production of such merchandise at the time of exportation to the United States, and at the place of manufacture; such cost of production to include the cost of materials and of fabrication, all general expenses covering each and every outlay of whatsoever nature incident to such production, together with the expense of preparing and putting up such merchandise ready for shipment, and an addition of not less than eight nor more than fifty per centum upon the total cost as thus ascertained; and in no case shall such merchandise be appraised upon original appraisal or reappraisement at less than the total cost of production as thus ascertained. It shall be lawful for appraising officers, in determining the dutiable value of such merchandise, to take into consideration the wholesale price at which such or similar merchandise is sold or offered for sale in the United States, due allowance being made for estimated duties thereon, the cost of transportation, insurance, and other necessary expenses from the place of shipment to the United States, and a reasonable commission, if any has been paid, not exceeding six per centum.

SEC. 33. That on and after the day when this Act shall go into effect all goods, wares, and merchandise previously imported, for which no

entry has been made, and all goods, wares, and merchandise previously entered without payment of duty and under bond for warehousing, transportation, or any other purpose, for which no permit of delivery to the importer or his agent has been issued, shall be subjected to the duties imposed by this Act and to no other duty, upon the entry or the withdrawal thereof: *Provided*, That when duties are based upon the weight of merchandise deposited in any public or private bonded warehouse, said duties shall be levied and collected upon the weight of such merchandise at the time of its entry.

SEC. 34. That sections one to twenty-four, both inclusive, of an Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes," which became a law on the twenty-eighth day of August, eighteen hundred and ninety-four, and all acts and parts of acts inconsistent with the provisions of this Act are hereby repealed, said repeal to take effect on and after the passage of this Act, but the repeal of existing laws or modifications thereof embraced in this Act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil cause before the said repeal or modifications; but all rights and liabilities under said laws shall continue and may be enforced in the same manner as if said repeal or modifications had not been made. Any offenses committed and all penalties or forfeitures or liabilities incurred prior to the passage of this Act under any statute embraced in or changed, modified, or repealed by this Act may be prosecuted or punished in the same manner and with the same effect as if this Act had not been passed. All Acts of limitation, whether applicable to civil causes and proceedings or to the prosecution of offenses or for the recovery of penalties or forfeitures embraced in or modified, changed, or repealed by this Act shall not be affected thereby; and all suits, proceedings, or prosecutions, whether civil or criminal, for causes arising or acts done or committed prior to the passage of this Act may be commenced and prosecuted within the same time and with the same effect as if this Act had not been passed: *And provided further*, That nothing in this Act shall be construed to repeal the provisions of section three thousand and fifty-eight of the Revised Statutes as amended by the Act approved February twenty-third, eighteen hundred and eighty-seven, in respect to the abandonment of merchandise to underwriters or the salvors of property, and the ascertainment of duties thereon: *And provided further*, That nothing in this Act shall be construed to repeal or in any manner affect the sections numbered seventy-three, seventy-four, seventy-five, seventy-six, and seventy-seven of an Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes," which became a law on the twenty-eighth day of August, eighteen hundred and ninety-four.

Approved, July 24, 1897.

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Boards, planks, and deals sawed	198	Boracic acid	1
Bockings	380	Borate:	
Bodkins	165	of lime	11
Boiler tubes, pipes, flues, or stays	152	material n. s. p. f.	11
plate, iron or steel	126	of soda	11
Bologna sausages	655	Borax	11
Bolt blanks	145	Bort or diamond dust	545
		Botanic Garden, U. S., plants, trees, etc., for	640

	Paragraph.		Paragraph.
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eign products.....	483	Buckwheat.....	226
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Brass.....	505	barrel, and other parts for	
clippings from.....	505	tassel.....	371
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Brazier's copper.....	176	collar.....	414
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metal trousers (except steel)		414	teries		98
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n. s. p. f.		414	of ammonia		5
pearl		414	of baryta		489
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shoe, of paper, etc.		414	of potash		644
steel trousers		414	of soda, bi and crystal ...	73, 75	
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steel)		414	Carbons for electric light-		
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Butts, jute, unmanufactured ..		566	American manufacture		483
C.			glass		99
Cabbages		242	Cardamom seed		656
Cabinet furniture		208	Card clothing		146
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Cables:			Carded yarn		302
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istle, Tampico fiber, manila,			playing		406
sisal grass, or sunn		326	internal revenue tax on (sec.		
Cacao, crude		528	38, act Aug. 28, 1894).		
Cadmium		513	Carmined indigo		25
Calcined bones		499	Carpet:		
Cajepout oil		626	art squares		382
Cake alum		4	bedsides		382
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Calamine		514	mats	334, 382	
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Carving knives and forks	155	Portland	89	
Casks (empty)	204	Roman	89	
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ture, returned	483	Cerium	518	
Cases, musical instrument	453	Chains of all kinds	151	
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Cassava or cassady	677	billiard	13	
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sia vera	667	itated, or manufactured	519	
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Cassiterite	683	ground	13	
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Cast hollow ware	150	precipitated	13	
Castings:		prepared	13	
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Cast:		Champagne	295	
hollow ware	150	Chamomile oil	626	
iron andirons	148	Channels	125	
hatters' irons	148	Channels, car-truck	125	
pipe	147	Charms	95	
plates	148	Charts	403	
sad irons	148	Charts for societies	503	
stove plates	148	hydrographic	501	
tailors' irons	148	printed over twenty		
vessels	148	years	501	
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Castor	516	for	237	
beans or seeds	254	knives	155	
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Cigar labels, lithographic	400	culm	415
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E.

Earth, barytes	44
Earthenware	94-98
carbon pots, porous	98
carbons for electric lighting	98
common yellow, brown, or	
gray	94
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filter tubes	98
gas retorts	98
lava tips	98
manufactures of	95, 96, 97
plain	94, 95, 96, 97
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quinces	262	wine	296
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Zante currants	264	heads	408
Fullers' earth	93	bent	107
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jute	328	articles or wares of, not specially provided for..	193
ramie	331	blocks or pigs of	192
silk	385	chloride of	57
waste, woolen	362	dry	57
woolen	365	ground in oil	57
Yellow chrome	48	old and worn-out	192
metal	176	oxide of	57
prussiate of potash ..	66	sheets of	192
Yolks of eggs	245	sulfid of	57
		sulphate of	57
		white paint or pigment containing ..	57
		white sulphide of	57
Z.			
Zaffer	705		
Zante currants	264		

ARTICLES SPECIFIED IN RECIPROCITY SECTIONS 3 AND
4 OF TARIFF ACT OF JULY 24, 1897.

Argols	sec. 3	Sparkling wines	sec. 3
Beans, tonquin, tonqua, or tonka	sec. 3	Spirits manufactured or distilled from grain	sec. 3
Beans, vanilla	sec. 3	Statuary	sec. 3
Brandies	sec. 3	Still wines	sec. 3
Champagne	sec. 3	Tartar, crude	sec. 3
Coffee	sec. 3	Tea	sec. 3
Crude tartar	sec. 3	Tonquin, tonqua, or tonka beans	sec. 3
Cuts, vanilla beans	sec. 3	Vanilla beans	sec. 3
Distilled spirits	sec. 3	Vermuth	sec. 3
Drawings, pen and ink	sec. 3	Wine lees, crude	sec. 3
Lees, wine, crude	sec. 3	Water color painting	sec. 3
Oil paintings	sec. 3	Wines, sparkling	sec. 3
Paintings	sec. 3	Wines, still	sec. 3
Pastels	sec. 3		
Pen and ink drawings	sec. 3		

